

CANADA

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OFFICIAL REPORT

SECOND SESSION—TWENTY-EIGHTH PARLIAMENT

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HOUSE OF COMMONS

Monday, April 6, 1970

The House met at 2 p.m.

[*Translation*]

PRIVILEGE

MR. DUMONT—RESIGNATION AND FAREWELL

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I rise on a question of privilege. I should like to inform the House that, as of this day, I shall no longer represent the constituency of Frontenac. I am resigning with the satisfaction of having discharged my responsibilities. Other duties will enable me to return to Ottawa in order to negotiate the rights of Quebec, after April 29.

I urge the Prime Minister (Mr. Trudeau) to take the advice of the right hon. member for Prince Albert (Mr. Diefenbaker) and get married so as to be able to grasp the human problems facing all Canadians.

Mr. Speaker, to you and to all my colleagues I say that the experience gained in this House is highly valuable. I thank you all for your understanding, but we will surely meet again.

Som hon. Members: Hear, hear!

Mr. Speaker: The hon. member should perhaps indicate to the Chair whether his resignation comes into force immediately or whether he intends to tell us when he will leave the House?

Mr. Dumont: It will take effect this very day, Mr. Speaker.

Mr. Speaker: The hon. member for Frontenac having notified us of his intention to resign his seat, it is my duty to inform the House that when the Clerk has entered such notice on the journals of the House, in accordance with the provisions of section 6, chapter 143 of the Revised Statutes of Canada, 1952, namely under the House of Commons Act, I shall forthwith address my warrant to the Chief Electoral Officer, for the issue of a writ for the election of a new member for the said federal constituency.

• (2:10 p.m.)

[*English*]

ROUTINE PROCEEDINGS

BUSINESS OF THE HOUSE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I thought it might be of some assistance to the House if I indicated the plan for House business for this week commencing April 6.

As hon. members know, the first item for today will be government order No. 5, the report stage of Bill C-3, the hate literature bill, to be followed by third reading in due course. The second item is government order No. 15, the bill with regard to the International Development Research Centre; we would expect that would be called tomorrow. The remaining two days of the budget debate, that is, the fifth and sixth appointed days, would be called for Wednesday and Thursday of this week. Friday will be the remaining allotted day from the last period which, pursuant to the order made by the House, will be allotted to the New Democratic Party.

I hope to have a meeting with the House Leaders later today or tomorrow to discuss the general allocation of business for this part of the session.

CRIMINAL CODE

BREATHALYZER PROVISIONS—REFERENCE OF VALIDITY OF PROCLAMATION TO SUPREME COURT

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the government has decided today to refer the important question of whether the breathalyzer provisions of the Criminal Code were validly proclaimed on December 1 last to the Supreme Court of Canada for hearing and consideration pursuant to section 55 of the Supreme Court Act. This step is being taken because of the recent judgment of the Supreme Court of British Columbia in the case of Regina *v.* Story which held that these provisions had not been properly proclaimed.

The breathalyzer provisions contained in recent Criminal Code amendments were

designed to attack the ever-growing problem of death and injury on the highways resulting from persons driving motor vehicles after having consumed excessive amounts of alcohol. While the legislation included provisions dealing with approved containers that might be used as a check on police equipment and analysis, it was made clear by the government when the legislation was before the House of Commons that approved containers had not yet been perfected and that they were not yet available for use. It was also made clear that the breathalyzer provisions would be brought into force notwithstanding the unavailability of approved containers. Indeed, the provision of the law dealing with approved containers was included as part of the legislation for the sole purpose of avoiding the delay that would result if additional legislation were required to make approved containers, once perfected, available to the public as an additional possible defence.

Because of the importance of the new breathalyzer laws to all Canadians and the desirability of eliminating confusion in the public mind that will result if these laws are not enforced with reasonable uniformity throughout the country, and because of the conflict of judicial opinion that has recently developed as to whether they are now properly in force, I consider it desirable to have this issue determined definitively as quickly as possible.

By proceeding by way of a direct reference to the Supreme Court of Canada rather than by the ordinary appeal route, I feel that a good deal of time will be saved in clarifying the legal status of the breathalyzer provisions as proclaimed last December. In addition, a substantial amount of court time throughout the country will not have to be taken up with needless argument and this in turn should result in a significant saving of expense to persons charged under the breathalyzer provisions of the Code. The required Order in Council under section 55 of the Supreme Court Act will be filed with the Supreme Court of Canada within the next few days.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I do not like to start off in a critical fashion just after the Easter recess but I am afraid I must. At five minutes before two o'clock today we received a document called a press release. On a matter as serious as this I should have thought the Minister of Justice would hand to the official opposition a copy of the statement he should have made on motions before issuing a press release, and flowing from that statement there could well have been a press report.

[Mr. Turner.]

Some hon. Members: Hear, hear!

Mr. Woolliams: Mr. Speaker, it is high time that Parliament was taken into the confidence of this government, whose arrogance is beyond understanding.

I should like to refer to an interesting point brought to my attention by the hon. member for Halifax-East Hants who first brought this whole matter to the attention of Parliament. He pointed out that this proclamation was wrong and, as the minister knows, he is one of the leading members of the House on the Standing Committee on Justice and Legal Affairs. I should like to quote from page 476 of Minutes of Proceedings and Evidence No. 11 of that committee to show that the minister was well aware of the law or appeared to be well aware of it, unless he received some bad advice along the way. The relevant date is Tuesday, March 18, 1969. As I say, at page 476 of that report the minister is reported as having said:

> The Attorney General of Canada will have to approve some container as suitable. We do not have a suitable container yet developed. What happened of course was that testimony was given to this committee last year or the year before that there was a suitable container which has turned out to be inaccurate evidence. That is the problem that Mr. Hogarth was talking about and that is why we have to delay the proclamation.

In other words, when the minister was before the committee he knew that he would have to make the proclamation with respect to the law on the breathalyzer test. He also knew that he had to specify in that proclamation the kind of container and the kind of scientific equipment that was necessary. During the Easter holidays, following the decision of Judge Craig Munroe, the minister said, "We are going to appeal." I hope, now that he has had a change of heart and is going to refer the matter to the Supreme Court of Canada, that he will remember that we are dealing here with something involving the rights of citizens.

Parliament passes the laws, though it is true they flow from the government. But I submit that even the present executive, including the Minister of Justice and the present Prime Minister, must obey Parliament and cannot by proclamation go beyond the powers this institution has given it.

Some hon. Members: Hear, hear!

Mr. Woolliams: The press release from the office of the Minister of Justice reads in part as follows:

> Mr. Turner pointed out that the breathalyzer provisions contained in recent Criminal Code amendments were designed to attack the ever-growing problem of death and injury on the highways resulting from persons driving motor vehicles after having consumed excessive amounts of alcohol.

That may be true. Parliament passed the act but the executive went far beyond it. This action is a typical example of rule by cabinet and not by Parliament. It is a typical example of the bind the government will get itself into in future if it continues to follow this course. The people of Canada still trust Parliament, even if the government does not.

[*Editor's Note: At this point a voice from the gallery shouted, "I don't."*]

Mr. Woolliams: Why don't you resign your seat? You are drawing good pay.

Some hon. Members: Oh, oh!

An hon. Member: That was from the gallery.

Mr. Woolliams: He is getting good pay, too.

Some hon. Members: Oh, oh!

Mr. Woolliams: I hope the Minister of Justice will take into consideration the cost to the citizen of this appeal. I like the procedure being followed in this instance but I submit that my criticism has been well-founded.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, there is one aspect of the minister's statement that I would commend, and only one. If the deed must be done, it is well that it be done quickly. If this matter is to go to the courts then I submit it is proper that it should go to the Supreme Court of Canada as quickly as possible in order to avoid confusion in the courts and to avoid confusing the people of Canada on this important subject.

But, Mr. Speaker, there is a far more serious aspect of this matter than the mere legal aspect. I am not, of course, going to discuss the legal aspects since the matter is before the courts, but I want to refer to the question of the rights of Parliament. I suggest that whatever the law is and whatever the Supreme Court of Canada may say, it is a most outrageous and dangerous precedent that says that the criminal law of this country should not be made here, in Parliament, by the peoples' elected representatives but by the cabinet of the day. This is a very dangerous precedent and one that should be avoided.

• (2:20 p.m.)

What is the situation? Parliament designed this legislation. I will not comment on it. I think it was excellent in purpose and as far as I am concerned I approved of it. But a safeguard for the subject was tied right into the legislation. What happened? This part of it, taken right out of context, is not proclaimed. This is a form of selective delegation which warps the meaning and intent of Parliament. This is not a minor matter. It is not taking one section, putting it into effect today and taking another section and putting it into effect tomorrow. That might be perfectly all right. This is removing the integral part of the section, a safeguard given to the subject in a matter of penal law, and saying, we, the cabinet, are going to pass this law in a different form from that approved by Parliament.

The intentions may have been excellent. Perhaps the containers are not yet available or something of the sort. If that is so, the government should have either proclaimed the whole thing or come back to Parliament and said that they could not do this and wanted to change the law. Perhaps they could have been able to do that.

I say that the greatest safeguard that exists to the liberty of the subject is that the criminal and penal laws of this country in serious matters of this sort which affect the liberty of the subject should be made by Parliament and not by the cabinet of the day. For this reason, whatever the legal consequences, I repeat that it is a dangerous and outrageous precedent that we have before us today.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I think the minister's statement could start an important debate among lawyers. I am not a lawyer but I feel that the question is urgent and important since a decision of the Supreme Court of British Columbia has made it possible to question the validity of the act providing for the use of the breathalizer. In my opinion, the minister was absolutely justified in making a statement today and to act as swiftly as possible, so that we know exactly what the situation is regarding this important matter.

I agree entirely with the hon. member for Greenwood (Mr. Brewin) who says that an amendment to the Criminal Code must first of all be introduced in the House of Commons.

However, the procedure, if followed, would take four, five or even six months before the law is passed. However, under present circumstances, I believe it is urgent that this question be decided upon as soon as possible and that the government take its responsibilities in this field.

It is absolutely inconceivable and unacceptable that the use of the breathalyzer be legal in one province and illegal in another. It is important to standardize the law throughout Canada and it is for that reason that we approve the announcement made in the House today by the Minister of Justice (Mr. Turner).

AGRICULTURE

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

Mr. Roch La Salle (Joliette): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion the necessity and the urgency of which are explained by what follows.

On March 23 last, the Minister of Agriculture (Mr. Olson) announced his dairy policy. As he was not in the House on March 24 and 25, it was impossible for us to obtain any further details about some very important points of this policy.

The new estimates run to $115 million compared to $125 million last year. Furthermore, the government has announced a fine of $1.25 per cwt. for all milk produced in excess of the allotted quotas, thus creating a drastic situation for milk producers in general and those from Quebec in particular.

Actually, Quebec produces 75 per cent of Canada's "above quota" milk. The government's policy is therefore ruthlessly aimed at producers in Quebec, primarily a dairy province.

What does the government intend to offer to the dairy producers? Retraining courses or subsidies for pilot projects on different branches of Quebec's agricultural industry? Thousands of producers are now threatened and may end up dependent on the government since the present subsidies are needed even by the most efficient producers.

I move, seconded by the hon. member for Huron (Mr. McKinley) that an emergency debate take place on the government's dairy policy which is now affecting thousands of dairy producers and places them in danger of bankruptcy.

[Mr. Caouette.]

Mr. Speaker: I could not see in the remarks of the hon. member a motion which might be put before the House. However I do not wish to make difficulties. In my opinion it is simpler to ask for the unanimous consent of the House to hold a debate as proposed by the member for Joliette.

[*English*]

Is there unanimous consent under the terms of Standing Order 43?

Some hon. Members: No.

[*Translation*]

Mr. Speaker: As there is no unanimous consent, the hon. member's motion cannot be put at this time.

• (2:30 p.m.)

[*English*]

HOUSING

CONTINUING DECLINE IN STARTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I rise to seek leave to make a motion with the unanimous consent of the House under the provisions of Standing Order 43. My reasons for doing so will be apparent from a study of the most recent release of Central Mortgage and Housing Corporation on the housing situation throughout Canada in the month of February.

This release shows that the grave and growing housing crisis is getting worse and that it is not being dealt with. It reveals that during February housing starts for all Canada were at the rate of 158,000 a year. The Economic Council of Canada has made it clear that if the need is to be met there must be at least 215,000 starts. In urban centres whose population exceeds 10,000, starts for February were down 46 per cent compared with the number a year ago. On the other hand, the rate of interest charged by the corporation has risen from 10.1 per cent to 10.25 per cent.

Shelter and housing are absolutely essential, Mr. Speaker, but the need is not being met. I therefore move, seconded by my hon. friend from Broadview:

That the matter of the urgent housing crisis revealed by the recently released report of the Central Mortgage and Housing Corporation and the continuing decline in housing starts amounting, in centres of 10,000 and more, to a drop in February of 46 per cent below the rate in the previous year, be referred to the committee on Health, Welfare and Social Affairs.

In my view this is a matter of such urgency that I confidently ask the unanimous support of the House to have it sent to the committee.

Mr. Speaker: Hon. members have heard the terms of the motion suggested by the hon. member for Greenwood. The motion cannot be put unless there is unanimous consent. The Chair has to inquire whether there is such consent.

Some hon. Members: No.

Mr. Speaker: In the absence of unanimous consent the hon. member's motion cannot be put at this time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

SALE OF FLOUR TO U.S.S.R.

Question No. 748—**Mr. Burton:**

1. On what date was agreement reached for the sale of flour equivalent to about eight million bushels under the agreement between the Canadian Wheat Board and V/O Exportkhleb and referred to by the Minister without Portfolio (Saskatoon-Humboldt) in his statement to the House of Commons, December 15?

2. On what date or dates was this shipment of flour made?

3. What was the destination of this flour shipment?

4. Was payment for this flour made by cash settlement or under credit arrangements and, if so, what was the nature of the credit arrangements?

5. What was the approximate value of the flour shipment?

Hon. Otto E. Lang (Minister without Portfolio): 1. This sale of flour was made by private flour milling firms in March 1969 in accordance with a general sales contact between the Canadian Wheat Board and V/O Exportkhleb. The flour trade's operations are of a commercial nature and it is not the policy of the Government to reveal the precise date or price of flour sales contracts.

2. The flour was shipped in the period from April, 1969 to December, 1969.

3. The flour was shipped to Cuba.

4. Payment was on a cash basis.

5. The flour shipped under this contract was valued at approximately $19 million.

MANAGERIAL PERSONNEL, INDUSTRIAL DEVELOPMENT BANK

Question No. 776—**Mr. Fortin:**

1. How many of the top management of the Industrial Development Bank are (a) English-speaking (b) French-speaking (c) bilingual?

2. What is the language policy of the IDB?

3. What is the interest yield on the capital invested by the IDB for each of the past five years?

4. (a) Who is the auditor for the IDB (b) how much is he paid (c) is it intended that the Auditor General of Canada be appointed as auditor for the IDB?

Hon. E. J. Benson (Minister of Finance): 1 and 2. It has not been the practice nor is it considered appropriate to answer questions regarding the internal administration of the Industrial Development Bank.

3. Rate of return on Capital plus Reserve Fund, Year ended September 30, 1965, 1.73 per cent; 1966, 0.92 per cent; 1967, 1.03 per cent; 1968, 1.18 per cent; 1969, 0.54 per cent.

4. (a) J. René de Cotret, C.A. of René de Cotret & Cie; T. C. Kinnear, F.C.A. of Price Waterhouse & Co. (b) $9,500 each. (c) No.

PUBLIC HOUSING RENTAL FORMULA, MULGRAVE PARK, HALIFAX

Question No. 829—**Mr. McCleave:**

1. What is the formula used to set rents for public housing in the Federal-Provincial-Municipal partnership at Mulgrave Park, Halifax?

2. Is this formula standard with formulae in other provinces and, if not, what are the variations?

3. (a) What is the rent formula used at Mulgrave Park when tenants supplement their regular incomes with part-time work (b) is this formula in general use elsewhere and, if not, what exceptions are there?

4. Has consideration been given to waiving the rental exaction on overtime earnings when such have been earned beyond a 2,000 hour working period in any one year?

Hon. Robert K. Andras (Minister without Portfolio): 1. Rental rates in the Federal-Provincial-Municipal project at Mulgrave Park, Halifax, are set in accordance with the rent-to-income scale.

2. The rent-to-income scale used in the Mulgrave Park project is the standard scale used by all provinces.

3. (a) Earnings from the part-time work of a tenant in the Mulgrave Park project are added to the regular income of the tenant and the rentals are established, in accordance with the rent-to-income scale, on the combined earnings; (b) The same procedure for part-time earnings is applicable to all other projects.

4. The rent-to-income scale is currently under review and the views of each province, including recommendations regarding part-time earnings, are being considered.

GRAIN ELEVATORS NOT OPERATED ON SCHEDULED BASIS BY FULL-TIME AGENTS

Question No. 891—**Mr. Mazankowski:**

1. Are there any elevators in Western Canada presently licensed to store and handle grain which are not operated on a scheduled basis by a full-time agent and, if so, how many are there in the Provinces of (a) Alberta (b) Saskatchewan (c) Manitoba?

2. What grain companies own these respective facilities and where are they located?

3. What is the total storage capacity in each case?

Hon. H. A. Olson (Minister of Agriculture): 1. The number of elevators not operated on a scheduled basis by an agent who devotes his full-time to elevator operations is (a) 71 in Alberta (b) 99 in Saskatchewan and (c) 13 in Manitoba.

2. These are owned by the following companies: Alberta Wheat Pool; Federal Grain Limited; National Grain (1968) Limited; N. M. Paterson & Sons Limited; Parrish & Heimbecker Limited; Pioneer Grain Company Limited; Saskatchewan Wheat Pool; Manitoba Pool Elevators and United Grain Growers Limited.

They are located at the following points: (a) Alberta: Fitzallen, Shonts, Staplehurst, Veldt, Watts, Taylor Siding, Norma, Woodhouse, Warwick, Viewpoints, Slawa, Rusylvia, Rosyth, Ohaton, Norfolk, Nacmine, Monarch, Metiskow, Lousana, Looma, Kingman, Hamlet, Gayford, Gatine, Greencourt, Gartly, Entice, Equity, Egremont, Edwand, Diamond City, Dorenlee, Countess, Carvel, Bradshaw, Bonar, Blue Ridge, Beaver River, Ankerton, Roma, Poe, Keoma, Granum, Beaverhill, Dunphy, Nestow, Oberlin, Twining, Musidora, Lindbergh, Lamerton, Jefferson, Heisler, Hazeldine, Haight, Forshee, Coronado, Connemara and Academy;

(b) Saskatchewan: Gilroy, Blooming, Beaverdale, Worcester, Warman, Wallisville, Viola, Verendrye, Verulam, Vance, Uren, Trewdale, Tornea, Thaxted, Swinburne, Secretan, Swanson, Surbiton, Strong, Strehlow, Royer, Romance, Roche Percee, Ridpath, Rak, Penkill, Ambassador, Abbott, Archive, Arma, Ava, Bear Creek, Belbutte, Betalock, Blewett, Brooking, Brough, Buttress, Cana, Chambers, Cheviot, Chipperfield, Colmer, Crutwell, Cuthbert, Dacer, Deer Creek, Expanse, Eyre, Forslund, Grainland, Greene, Gunnworth, Hassan, Hawoods, Juniata, Lille, Lindguist, Northminster, Pattee, Pym, Sidmar, Gascoigne, Ranger, Bolney, Mennon, Neely, Plassey, Redberry, Red Pheasant, St. Alphege, Service, Tatsfield, Vesper, Makwa, Kinley, Ketchen, Irvington, Frys, Duperow, Donegal, Cote, Clavet, Chrysler, Cater, Canuck, Breeze, Barvas and Axford;

(c) Manitoba: Stockton, Purves, Mollard, Largs, Kemnay, Cameron, Garland, Shevlin, Madill, Rufford, Christie and Carroll.

3. The total storage capacity is (a) Alberta, 2,877,000 bushels; (b) Saskatchewan, 3,359,000 bushels and (c) Manitoba, 553,000 bushels.

INCENTIVE GRANT TO YELLOWSTONE DEVELOPMENT CORPORATION LIMITED

Question No. 940—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided for an incentive grant to "Yellowstone Development Corporation Ltd." and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and executive officers of "Yellowstone Development Corporation Ltd." and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. As of January 31, 1969, the directors and executive officers of Yellowstone Development Corporation Limited are: Mr. G. B. Morgan, President, 208 Allard Street, Winnipeg 20, Manitoba; Mrs. Athalie Morgan, Secretary-Treasurer, 208 Allard Street, Winnipeg 20, Manitoba; Mr. G. Pollock, Vice-President, 204 Portage Avenue, Winnipeg, Manitoba.

4. None.

5. None.

STAFF OF PARLIAMENTARY SECRETARIES

Question No. 1,052—**Mr. Coates:**

Do any of the Parliamentary Secretaries to Cabinet Ministers have staff in excess of a personal secretary and, if so (a) what are the names of the Parliamentary Secretaries (b) what are the

names of the person or persons on staff (c) what is the annual salary of the person or persons on staff?

Hon. Donald S. Macdonald (President of the Privy Council):

(a)	(b)	(c)
Mr. Stanley Haidasz Parliamentary Secretary to Minister of National Health and Welfare	Mrs. Lois Byrnes	$6,918
Mr. Martin O'Connell, Parliamentary Secretary to Minister of Regional Economic Expansion	Mrs. G. Fulford	6,294
Mr. Gérard Loiselle, Parliamentary Secretary to Minister of Transport	Miss C. H. Loiseau	5,632

SUGGESTED CHANGES IN CANADA PENSION PLAN AND INCOME TAX

Question No. 1,054—**Mr. Mather:**

1. Is consideration being given to the request of the Canadian Federation of Business & Professional Women's clubs that alleged discrimination against Canada Pension Plan contributors who die without leaving a spouse should be removed by providing a more equitable return of contributions to the deceased contributor's dependents or estate?

2. Is consideration being given for tax exemption for working women who must employ the services of others to maintain a home for themselves and their dependents?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of National Health and Welfare and the Department of Finance as follows: 1. The Minister of National Health and Welfare is studying the brief submitted by the Canadian Federation of Business and Professional Women's clubs containing a resolution concerning survivorship pensions under the Canada Pension Plan as a part of the review of social security programs.

2. The Government proposes in paragraphs 2.7 and 2.8 of the White Paper on tax reform that a parent be allowed to deduct expenses incurred for child care up to a maximum of $500 per child and not exceeding $2,000 per family.

POST OFFICE PERSONNEL

Question No. 1,060—**Mr. Fortin:**

1. How many persons in the Post Office Department earn more than $17,000.00?

2. Of this number, how many have (a) English (b) French as their mother tongue and, how many are bilingual?

3. What amount was paid in fees to each of the consultants mentioned in the "Blueprint for Change, Canada Post Office" of November 1969?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. 68, as of February 1970.

2. (a) 54; (b) 14; (c) 19; all as of February 1970.

3. Kates, Peat, Marwick & Company	$258,626.70	
Kates, Peat, Marwick & Company	25,000.00	$283,626.70
Dr. Stanley J. Shapiro		43,938.25
Hickling-Johnston Ltd.		81,765.37
Samson Belair Riddell Stead Inc.	101,480.00	
Samson Belair Riddell Stead Inc.	63,432.50	164,912.50
Price Waterhouse Associates	24,000.00	
Price Waterhouse Associates	50,497.92	
Price Waterhouse Associates	35,051.25	109,549.17
D.C.F. Systems Ltd.		23,096.49

Questions

FEDERAL CORRECTIONAL INSTITUTION INMATES

Question No. 1,082—**Mr. Orlikow:**

1. How many inmates are there in federal correctional institutions at the present time?

2. How many inmates are there in each of the institutions under maximum security, medium security, minimum security?

3. How many paroles were granted to the inmates of federal correctional institutions for each of the past three years and of these, how many were maximum parolees, medium parolees, minimum parolees?

4. How many inmates are there in federal correctional institutions serving sentences after being sentenced to preventive detention and in which institutions are these people detained?

5. In each of the past three years, how many inmates serving sentences under preventive detention were paroled?

6. In the past three years, for all those inmates in Canadian institutions paroled, what was the average time served?

Hon. G. J. McIlraith (Solicitor General): 1. 7,381 (as of March 10, 1970).

2.

Maximum Security	
Dorchester Penitentiary	330
St. Vincent de Paul Penitentiary	548
Archambault Institution	184
Special Correctional Unit	86
Kingston Penitentiary	724
Prison for Women	58
Manitoba Penitentiary	377
Saskatchewan Penitentiary	500
British Columbia Penitentiary	517
	3,324

Medium Security	
Springhill Institution	212
St. Vincent de Paul Industrial Annex	83
Federal Training Centre	284
Leclerc Institution	422
Cowansville Institution	336
Joyceville Institution	447
Collins Bay Penitentiary	381
Warkworth Institution	217
Drumheller Institution	238
Matsqui (M) Institution	282
Matsqui (F) Institution	37
Mountain Prison (Doukhobors and Others)	164
	3,103

Minimum Security	
Dorchester Farm Annex	68
Blue Mountain Correctional Camp	54
St. Vincent de Paul Farm Annex	58
Archambault (Minimum)	58
St. Hubert Centre	19
Joyceville Farm Annex	86
Collins Bay Farm Annex	85
Beaver Creek Correctional Camp	79
Landry Crossing Correctional Camp	59
Manitoba Farm Annex	96
Osborne Release Centre	13
Saskatchewan Farm Annex	65
William Head Institution	145
Agassiz Correctional Camp	58
West Georgia Centre	11
	954
Total	7,381

3. 1967, 1,328; 1968, 1,493; 1969, 1,870. Parolees are not classified as maximum, medium or minimum parolees and Parole Board statistics do not reflect the type of institution in which the parolee was confined.

4. 1, Dorchester Penitentiary; 5, St. Vincent de Paul Penitentiary; 1, Leclerc Institution; 2, Special Correctional Unit; 3, Archambault Institution; 3, Kingston Penitentiary; 1, Manitoba Farm Annex; 9, Saskatchewan Penitentiary; 1, Saskatchewan Farm Annex; 2, Drumheller Institution; 18, British Columbia Penitentiary; 12, Mountain Prison; *12, Matsqui Institution—Total 70.

* This figure does not include one inmate who escaped from Matsqui Institution in June, 1968 and is still unlawfully at large.

5. 1967, 19; 1968, 29; 1969, 12.

6. 1967, 12 months; 1968, and 1969, figures not yet available.

NATIONAL DEFENCE—INCREASE IN RENTS PAID BY SERVICEMEN IN DND ACCOMMODATION

Question No. 1,092—**Mr. Lambert (Edmonton West):**

1. Has the Department of National Defence recently ordered an increase in rents to be paid by servicemen and families in DND accommodation and, if so, what is the nature of the increases and what is the effective date thereof?

2. What has motivated such an increase, and if in the case of an increase in grants to municipalities in lieu of taxes, have such increases matched increases of taxes with respect to each base con-

cerned or has a uniform increase in rents been demanded of the affected servicemen?

3. (a) What is the anticipated yield of the additional rent demand (b) what increase in payments in lieu of taxes are expected in the fiscal year 1970-71?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of National Defence and the Department of Finance as follows: 1. Yes, effective 1 April, 1970. The amount will vary depending on type of accommodation but in no instance will the increase exceed $15 per month.

2. Rent for Canadian Forces' married quarters was revised effective 1 April, 1968, at the direction of Treasury Board. All charges are based on the weighted national average of market rental values as appraised by Central Mortgage and Housing Corporation. A transitional period was established during which the rates in effect on 31 March, 1968, would be increased by $15 per month per year on 1 April. Two such increases have been imposed. Provision was also made for subsequent review and adjustment of charges if warranted on 1 April, 1970, and at intervals of two years thereafter.

The grants to municipalities in lieu of taxes have no bearing on the system of charges for married quarters.

3. (a) As there are some 26,077 married quarters controlled by DND under the rental system, and administered by over 100 base commanders across Canada, records at Canadian Forces Headquarters are not maintained in a manner which would readily provide this information. However, it is estimated that approximately $4.5 million additional rent will accrue during 1970-71.

3. (b) Government records are not kept in such a way as to indicate the amount of grants on individual properties and the necessary information is not readily available. On a percentage basis, the year to year growth rate of grants in lieu of taxes has recently averaged about 8 per cent. However, this includes growth as a result of the construction or acquisition of new federal property. In the case of service accommodation, where new construction is relatively limited, the annual growth rate would be somewhat lower, perhaps about 6 or 7 per cent, depending very largely upon changes in municipal tax rates. In the absence of specific information about changes in municipal tax rates and levels of assessment in 1970-71, the percentage range of 6 to 7 is the best measure of the government's expectations for growth of grants in lieu of taxes on service accommodation.

ASSISTANCE TO CONSTRUCTION OF OLD PEOPLE'S HOMES

Question No. 1,167—**Mr. Beaudoin:**

1. By percentage, what is the federal government's contribution to the construction and outfitting of old people's homes?

2. During the years 1965, 1966, 1967, 1968 and 1969 in the constituency of Richmond, how many old people's homes received federal government assistance in the construction and outfitting, where are they located and what amount was invested by the federal government?

3. What was the provincial contribution to each of the above-mentioned homes?

Hon. Robert K. Andras (Minister without Portfolio): 1. The financing of senior citizens' housing under Section 16 of the National Housing Act, to June, 1969, provided for loans of 90 per cent of the cost or value of the project. Under the provision to the National Housing Act of June, 1969, in which Section 16A was combined with Section 16, such loans may be 95 per cent of the cost or value of the project. Where such a loan is secured by a mortgage, the cost or value may include furnishings and equipment which become part of the real or immoveable property; where such a loan is secured by a debenture, the value or cost may also include moveable items of bedroom, lounge and cafeteria equipment, and specialized equipment such as hospital type beds and whirlpool baths in special type projects.

2. See Table 1 attached.

3. Information on the provincial contributions to such projects is not available.

TABLE 1

NHA Loans Approved for Elderly Persons in the Municipal Counties of Richmond and Wolfe Province of Québec 1965–1969

Location	Period	New Housing			
		Loans	Units	Hostel Beds	$000
Richmond County					
Bromptonville Town	1968	1	4	34	273
Richmond Town	1969	1	6	53	438
Asbestos Town	1969	1	5	44	377
Wolfe County					
Weedon Municipality	1968	1	—	39	253
Disraeli Municipality	1969	1	—	52	364

Note: CMHC statistical data are not recorded on a constituency basis.

BANK OF CANADA

Question No. 1,209—**Mr. Benjamin:**

1. What is the relationship between the Bank of Canada and the Government of Canada?

2. For what reason is it inappropriate to answer questions on the internal administration of the Bank of Canada?

3. To whom does the Bank of Canada answer on matters of its internal administration?

Hon. E. J. Benson (Minister of Finance): 1. The Bank of Canada is incorporated as a body politic and corporate pursuant to Section 2(1) of the Bank of Canada Act. The relationship between the Bank of Canada and the Government is established by the various provisions of the Act, i.e.,

Section 17(1) provides for capitalization and the issue of its shares to the Minister of Finance on behalf of Canada. The Minister is the sole shareholder.

Section 24(c) provides for the payment of the Bank's net income to the Receiver General for the credit of the Consolidated Revenue Fund.

Section 25(1), (4) and (5) provides for the appointment by the Governor in Council of the shareholder's auditors, for their direction by the Minister and for reports to him.

Section 26 provides for weekly and monthly returns to the Minister on the assets and liabilities of the Bank, for a monthly return regarding its investments and securities issued or guaranteed by Canada, and for a weekly return on notes in circulation.

Section 27 provides for the submission of an annual audited statement of the Bank's accounts and the Governor's Annual Report to the Minister and for their tabling in Parliament.

Section 14(1) requires the Minister and the Governor to consult regularly on monetary policy and on its relation to general economic policy. Section 14(2) provides for a specific directive by the Minister with the approval of the Governor in Council to the Governor in the event a difference of opinion emerges between the Minister and the Bank concerning the monetary policy to be followed.

Section 20 provides that the Bank shall act as fiscal agent of the Government of Canada without charge. The Bank manages the Exchange Fund Account.

Section 21 gives the Bank the sole right to issue notes intended for circulation in Canada and provides that the form and material of the notes shall be approved by the Minister.

2. By the Bank of Canada Act, Parliament vested the management of the internal administration of the Bank in its Board of Directors. Relevant portions of the Act are:

Section 5(1) provides that the management of the Bank shall be under its Board of Directors and stipulates that the Board shall be composed of the Governor, Deputy Governor and 12 Directors.

Section 6(1) provides that the Governor and Deputy Governor shall be appointed by the Directors with the approval of the Governor in Council.

Section 8 provides that the Governor is Chief Executive Officer of the Bank and on

behalf of the Board has the direction and control of the business of the Bank with authority to act in all matters not specifically reserved to the Board or Executive Committee by the Act or by-laws.

Section 13 provides for an Executive Committee and its composition, empowered to deal with any matter within the competence of the Board.

Section 15 empowers the Executive Committee to engage such staff as it deems necessary and the Board to establish by by-law a Pension Fund for employees.

Section 33 establishes the authority of the Board, with the approval of the Governor in Council, to make by-laws not repugnant to the provisions of the Act.

Other than the Reports and Returns specified in Sections 26 and 27 as mentioned in the answer to part 1, decisions as to information to be given concerning the activities of the Bank are made by the Board of Directors.

3. To its Board of Directors.

INCENTIVE GRANT TO C. J. BROWN AND COMPANY

Question No. 1,249—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to C. J. Brown & Co., Danville, Quebec and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of C. J. Brown & Co. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of C. J. Brown & Company Limited as at September 30, 1968 were as follows: W. S. Brown, President, Danville, Quebec. G. F. Brown, Vice-President, Danville, Quebec. C. E. Brown, Treasurer, Danville, Quebec. Mrs. H. A. Brown, Secretary, Danville, Quebec. M. A. Currie, Director, Danville, Quebec.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO BEN'S LIMITED

Question No. 1,250—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Ben's Limited, Halifax, Nova Scotia and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Ben's Limited and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Ben's Limited as at December 28, 1968 were as follows: F. M. Covert, President, 1959 Parkwood Terrace, Halifax; D. E. Sawyer, Vice-President, 804 Spring Garden Terrace Apts., Halifax; E. L. Stoddard, Secretary-Treasurer, 2061 Poplar Street, Halifax; J. J. Jodney, Director, Hartsport, N.S.; D. E. Yeadon, Director, R.R. No. 2, Brookside, Halifax; Ben Moir, Director, 5731 Pt Pleasant Drive, Halifax; J. W. E. Ming, Director, 500 Bank of Canada Building, Halifax.

4. Non-residents have a 1 per cent interest in the voting shares of the company either directly or through other holdings.

5. The majority of the voting shares are held by Ben's Holding Limited, Halifax, which in turn has a degree of non-resident ownership.

INCENTIVE GRANT TO ASSINCK BROS. LIMITED

Question No. 1,251—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, au-

thorized or provided an incentive grant to Assinck Bros. Limited, Markham, Ontario and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Assinck Bros. Limited and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Assinck Bros. Limited as at December 31, 1968 were as follows: Joseph Assinck, President, Markham, Ontario; Anton Assinck, Vice-President, Markham, Ontario; J. L. Cattanach, Director, Markham, Ontario; Irene White, Secretary-Treasurer, Markham, Ontario.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO CANADIAN ASEA ELECTRIC

Question No. 1,252—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Canadian ASEA Electric, Montreal, Quebec and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Canadian ASEA Electric and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

[Mr. Burton.]

3. The directors and executive officers of Canadian ASEA Electric Ltd., as at December 31, 1968 were as follows: A. C. de Lery, President, 475 Stannock Ave., Town of Mt. Royal; A. K. Graham, Director, 780 Eglinton Ave., Toronto; A. T. Vrethem, Director, Kammarag, Vasteras, Sweden; C. R. Nicolin, Director, Vasteras, Sweden; E. Leetma, Secretary-Treasurer, 5165 Trenholme, Montreal.

4. The company is 100 per cent non-resident owned.

5. Allmanna Svensha Elektrisha Akliebobaget, Sweden, is the parent.

INCENTIVE GRANT TO DOWNIE STREET SAWMILLS LIMITED

Question No. 1,253—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Downie Street Sawmills, Ltd. Revelstoke, B.C. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Downie Street Sawmills, Ltd. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Downie Street Sawmills Ltd., as at December 31, 1968 were as follows: Victor Camozzi, Director, Revelstoke, B.C.; Steve McKenzie, Director, Revelstoke, B.C.; Sam Olynyk, Director, Revelstoke, B.C.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO DULOD LTÉE

Question No. 1,254—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Dulod Ltée., Rouyn, Quebec and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Dulod Ltée. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of Consumer and Corporate Affairs as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. This company was incorporated federally on July 22, 1969. The company has not yet had to file its Annual Summary disclosing the names of its directors; however, the application for incorporation indicates the following names and addresses of the provisional directors: Marcel Cinq-Mars, 144 Saguenay, Noranda, P.Q.; Alfred Leclerc, 15th Street, Noranda, P.Q.; Paul Denoncourt, 336 Ménard Street, Rouyn, P.Q.; Roger Guimont, 87, 20th Street, Noranda, P.Q.; Gilles Lepine, 167b Gamble West, Rouyn, P.Q.

4 and 5. No information available.

INCENTIVE GRANT TO H. J. CRABBE & SONS

Question No. 1,259—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to H. J. Crabbe & Sons, Bristol, N.B. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of H. J. Crabbe & Sons and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of H. J. Crabbe & Sons Ltd., as at November 30, 1968 were as follows: Harold J. Crabbe, President, Bristol, N.B.; Deane R. Crabbe, Secretary-Treasurer, Bristol, N.B.; Paul H. Crabbe, 1st Vice-President, Fredericton, N.B.; Neville J. Crabbe, 2nd Vice-President, Bristol, N.B.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

DEPARTMENT OF FINANCE—ENGAGEMENT OF CONSULTANTS 1950 TO 1970

Question No. 1,279—**Mr. Robinson:**

How many consultants have been engaged by the Department of Finance during each year 1950 to 1970 inclusive and (a) what was the cost of the consultants (b) how were the consultants utilized (c) for what reason were the consultants necessary?

Hon. E. J. Benson (Minister of Finance):

(a) Fiscal year	Number	Cost $
1949-50 through 1959-60	Nil	—
1960-61	5	45,717
1961-62	2	13,838
1962-63	1	14,470
1963-64	5	29,567
1964-65	5	41,115
1965-66	16	167,572
1966-67	10	91,234
1967-68	16	177,641
1968-69	7	55,880
1969-70 (to date)	2	24,219

(b) To study and report on matters then under consideration within the responsibilities of the Department, and of the Mint, the Treasury Board Secretariat and the Computer Services Bureau which were part of the Department at the time. The studies were on specific aspects in the fields of economic analysis and forecasting, taxation, revenue forecasting, expenditure control, international trade, international liquidity, government guaranteed lending programs, personnel management, data processing and minting equipment and facilities.

(c) When considering certain questions, it is advantageous to the Department to have advice from outside experts to augment its own expertise. Also, provided the subject matter is appropriate, it is more economical to arrange time consuming background studies by contract on an as required basis than to increase the permanent establishment of the Department.

Questions

COMPUTERS IN PLACE OF ANIMALS IN EXPERIMENTATION

Question No. 1,296—**Mr. Mather:**

Is the government giving consideration to the use of computers in place of animals in experimentation?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): No.

HOUSING, TOTAL POPULATION AND INDIANS

Question No. 1,315—**Mr. Orlikow:**

1. (a) For the last year for which figures were available, what was the total *per capita* investment in housing for the people of Canada (b) in the same year, what was the total *per capita* investment for Indian housing from the Department of Indian Affairs and Northern Development appropriations, band revenues, and individual contributions?

2. What were the average salaries and wages (excluding military pay) for 1969 earned by Canada's labour force and, what was the average income of Canadian Indian families excluding general assistance and Family Allowances?

3. What was the average age at death for the last year for which figures are available for (a) all Canadians—male and female (b) Canadian Indians?

4. (a) Of the total Canadian population, how many families live in houses of three rooms or less (b) of the total Indian population, how many families live in houses of three rooms or less?

5. (a) Of the total Canadian population, how many live in homes which are provided with electricity, sewer services or septic tanks, running water, indoor bath (b) of the total Indian population, how many live in homes which are provided with electricity, sewer services, or septic tanks, running water, indoor baths?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Central Mortgage and Housing Corporation, the Dominion Bureau of Statistics and the Department of Indian Affairs and Northern Development as follows: 1. (a) With an estimated population at June 1, 1969, of 21,061,000, and an estimated investment in new housing in 1969 of $3.37 billion, the total per capita investment in housing in 1969 was $160. (b) $77.16.

2. (a) Average weekly wages and salaries for the industrial composite (business firms in the non-agricultural section) in Canada for the year 1969 was $117.81. (Source the DBS monthly survey of establishments with 20 or more employees.) (b) $1,898.30.

3. (a) For the latest year for which figures are available, the average age at death for all Canada was: males, 62.9 years; females, 67.1 years. (b) Indian (1968): male, 39.83; female, 40.75.

[Mr. Benson.]

4. (a) As of May 1969, out of a total of 5,514,000[1] households in Canada, 636,000 or 11.5 per cent lived in dwellings containing three rooms or less. [1]Excludes households in the Yukon and Northwest Territories; households on Indian reserves; institutional households; military camps; other collective-type households such as those living in hotels, large lodging houses, clubs, logging and construction camps; certain private households living in trailers, in summer cottages, on boats, etc. (b) 11,262.

5. (a) Households with specified household facilities, Canada, May 1969:

	Number	Per Cent of Total Households
Total Households[1]	5,514,000	100.0
with electricity	[2]	[2]
with sewer service or septic tanks[3]	5,190,000	94.1
with running water	5,321,000	96.5
with indoor baths[4]	5,072,000	92.0

[1] Excludes households in the Yukon and Northwest Territories; households on Indian reserves; institutional households; military camps; other collective-type households such as those living in hotels, large lodging houses, clubs, logging and construction camps; certain private households living in trailers, in summer cottages, on boats, etc.

[2] Not available since 1963. In 1963, 4,608,000 households or 98.7 per cent of total households had electricity.

[3] Households with flush toilets.

[4] Households with installed bath facilities.

(b) electricity, 20,703; sewer services and septic tanks, 5,278; running water, 7,544; indoor baths, 4,384.

INCENTIVE GRANT TO JOB BROTHERS & CO.

Question No. 1,332—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Job Brothers & Co., St. John's, Nfld., and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Job Brothers & Co. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Job Brothers and Company Limited as at January 31, 1968 were as follows: Lewis H. M. Ayre, President c/o Ayre & Sons Ltd., St. John's, Newfoundland; Ian J. Reid, Vice-President & Managing Director, Rennie's Mill Rd., St. John's, Newfoundland; Ray M. Clancy, Director, May Park Place, St. John's, Newfoundland; Leo. G. Keough, Director, Larch Place, St. John's, Newfoundland; Wilfred D. Moore, Director, May Park Place, St. John's, Newfoundland; P. K. McGrath, Director, Le Marchant Road, St. John's, Newfoundland; Eric D. Knight, Secretary, Brookfield Road, St. John's, Newfoundland.

4. Non-residents have a 22.7 per cent interest in the voting shares of the company either directly or through other holdings.

5. The majority of the voting shares are held by Northlantic Fisheries Ltd., St. John's, Newfoundland which in turn has a degree of non-resident ownership.

INCENTIVE GRANT TO J. H. HUSCROFT, LTD.

Question No. 1,334—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to J. H. Huscroft Ltd., Brickson, B.C. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of J. H. Huscroft Ltd. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of J. H. Huscroft Ltd., as at December 31, 1968 were as follows: Irwin K. Huscroft, Director, Erickson, B.C. Amy Huscraft (Executrix of the estate of J. H. Huscroft).

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

APPLICATIONS OF GRAIN ELEVATOR COMPANIES UNDER REVIEW—LABOUR (STANDARDS) CODE, PART 1

Question No. 1,353—**Mr. Orlikow:**

1. How many applications of Grain Elevator Companies who applied for deferment and for suspension of Part 1 of the Canada Labour (Standards) Code are still under review?

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour):

1. None.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Not applicable.

APPLICATIONS OF HIGHWAY TRANSPORT COMPANIES UNDER REVIEW—LABOUR (STANDARDS) CODE, PART 1

Question No. 1,354—**Mr. Orlikow:**

1. How many applications of Highway Transport Companies who applied for deferment and for suspension of Part 1 of the Canada Labour (Standards) Code are still under review?

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour):

1. None.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Not applicable.

Questions

APPLICATIONS OF MINING AND PROCESSING COMPANIES UNDER REVIEW—LABOUR (STANDARDS) CODE, PART 1

Question No. 1,355—**Mr. Orlikow:**

1. How many applications of Mining and Processing Companies who applied for deferment and for suspension of Part 1 of the Canada Labour (Standards) Code are still under review?

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour):

1. None.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Not applicable.

APPLICATIONS OF SHIPPING (INCLUDING FERRIES) COMPANIES UNDER REVIEW—LABOUR (STANDARDS) CODE—PART I

Question No. 1,357—**Mr. Orlikow:**

1. How many applications of Shipping (including Ferries) Companies who applied for deferment and for suspension of Part I of the Canada Labour (Standards) Code are still under review?

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour):

1. None.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Not applicable.

APPLICATIONS OF STEVEDORE AND LONGSHORE COMPANIES UNDER REVIEW—LABOUR (STANDARDS) CODE, PART I

Question No. 1,358—**Mr. Orlikow:**

1. How many applications of Stevedore and Longshore Companies who applied for deferment and for suspension of Part I of the Canada Labour (Standards) Code are still under review?

[Mr. Mackasey.]

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour):

1. None.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Not applicable.

STABILIZATION OF POTATO INDUSTRY

Question No. 1,371—**Mr. MacDonald (Egmont):**

1. Did the Government of Canada receive a unanimous Resolution from the Legislature of Prince Edward Island with respect to stabilizing the potato industry and to establishing a programme to this end?

2. When was this communication received?

3. What was the response of the Government?

4. What report on these matters has been made to the Legislature of Prince Edward Island?

Hon. H. A. Olson (Minister of Agriculture):

1. Yes.

2. April 17, 1969.

3. The Prime Minister replied by letter April 24, 1969, to the speaker of the Legislature of Prince Edward Island, advising that a starch diversion program had been authorized under the Agricultural stabilization Act.

4. Not known.

CLOSURE OF POST OFFICES SINCE 1968

Question No. 1,373—**Mr. Korchinski:**

1. How many post offices, in each province, have been closed from 1968 to date?

2. How many post offices, in each province, are scheduled for closing in 1970?

3. How many post offices in each province, are in existence where the revenue is below expenditures?

4. How many post offices, in each province, do not derive sufficient revenue to offset costs but are maintained because of isolation?

5. In how many post offices that have been closed in each province, have there been either salary increases or increased payments for rental or other services within the past two years?

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

42; P.E.I., 32; N.S., 101; N.B., 77; P.Q., 188; Ont., 263; Man., 51; Sask., 109; Alta., 92; B.C., 33; Yukon, 1; N.W.T., 1.

2. Nfld., 83; P.E.I., 3; N.S., 147; N.B., 52; P.Q., 73; Ont., 84; Man., 49; Sask., 62; Alta., 30; B.C., 5; Yukon, Nil; N.W.T., Nil.

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

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

5. Payments to all Revenue Postmasters for services provided were increased effective October 1, 1968.

LABELLING OF FOODS CONTAINING CYCLAMATES

Question No. 1,387—**Mr. Fairweather:**

1. Is consideration being given to properly labelled food products containing cyclamates (excluding soft drinks) to be sold in Canada?

2. Are plans being co-ordinated with those announced by the United States Department of Health, Education and Welfare for sale of such foods after the expiry dates of April 1 and June 1, 1970?

3. Has the government received representations from the Canadian Diabetic Association requesting a plan which will assure availability of foods containing cyclamates until a alternative process is developed?

4 Are alternative supplies available now for diabetics?

Hon. John C. Munro (Minister of National Health and Welfare): 1. After careful consideration, the decision has been made to prohibit the sale of foods containing cyclamates in Canada, regardless of the labelling used, after the deadlines announced October 21, 1969.

2. No. Close contact is being maintained with U.S. authorities. However, since the decision has been made to prohibit the sale of foods containing cyclamates in Canada, no co-ordination in regard to the sale of such products is required.

3. The government has received representations from, and discussed the cyclamate situation fully with, the Canadian Diabetic Association. It is the view of the medical advisors of the Association that there is no objection to the withdrawal of cyclamate as a sweetening agent in artificially sweetened fruits and preserves provided that these food items continue to be available in palatable form.

4. Alternative supplies of foods for diabetics are becoming available. The food industry has indicated that it will be possible to produce dietary spreads without the use of cyclamates. The major manufacturer will have such spreads on the market by April 1, 1970. Formulation research is in progress on dietetic fruits, and it is anticipated that satisfactory products which do not contain cyclamates will also be available by the deadline of September 1, 1970.

SUBSIDY TO WHEAT GROWERS, 1960 TO 1969

Question No. 1,401—**Mr. Robinson:**

What was the total subsidy paid to wheat growers during each year 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): It is not possible to identify payments made to wheat farmers because they cannot be identified from other grain producers; however, payments made on the basis of grain producers were as follows: (millions of dollars) 1960-61, $44,679; 1961-62, $87,314; 1962-63, $7,534; 1963-64, $2,248; 1964-65, $3,180; 1965-66, $605,000; 1966-67, nil; 1967-68, nil; 1968-69, $2,625.

INCENTIVE GRANT TO MULCO INC.

Question No. 1,404—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Mulco Inc., Saint John, N. B. and, if so, what is the amount of the grant?

2 What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Mulco Inc., and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Mulco Incorporated as shown on their 1968 return were: Leo-Paul Camirand, President, 162 Labonté, Longueuil, P.Q.; Guy Paré, Vice-President, 8190, curé Clermont, Ville d'Anjou,

P.Q.; J. C. Vezeau, Treasurer, 2433 boul. Laurier, Laflèche, P.Q.; René Simard, Secretary, 2433 boul. Laurier, Laflèche, P.Q.

4. The company reports no shares held by non-residents either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO WOODS-DRYDEN PAPER BAGS LTD.

Question No. 1,406—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Woods-Dryden Paper Bags, Ltd., Winnipeg, Manitoba and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Woods-Dryden Paper Bags, Ltd. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Woods-Dryden Paper Bags, Ltd., as at December 31, 1968 were: A. C. Hill, President, 3534 Ontario Street, Montreal 25, P.Q.; T. S. Jones, Vice-President, 272 River Heights Drive, Dryden, Ontario; W. D. King, Treasurer, 3152 De Galais, Quebec 10, P.Q.; G. M. Harquail, Secretary, 738 Dalquier Ave., Ste. Foy, Quebec 10, P.Q.; D. H. O'Brien, Director, 1A Dale Ave., Apt. 304, Rosedale, Toronto, Ontario; B. D. Rose, Director, 255 Dunvegan, Toronto, Ontario; David Young, Director, 1370 Leblanc Avenue, Sillery, P.Q.

4. Non-residents have an 83.2 per cent interest in the voting shares of the company.

5. The non-resident interest resides primarily in the United Kingdom and is exercised through a network of affiliated Canadian corporations. The principal corporations involved in the network are Anglo Canadian Pulp and Paper Mills Ltd., Dryden Paper Co. Ltd., and Reed Corrugated Cases Ltd. Other affiliates and the extent of inter-corporate relationships are documented in Complex Number 753, DBS Publication 61-508, *Inter-Corporate Ownership, 1967.*

[Mr. Forest.]

INCENTIVE GRANT TO STANDARD KNITTING COMPANY

Question No. 1,408—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Standard Knitting Co., Winnipeg, Manitoba and, if so, what is the amount of the grant?

2 What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Standard Knitting Co. (1967) and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Standard Knitting Co. (1967) Ltd. as shown on their 1969 return were: Louis Kliman, President, 648 Waterloo, Winnipeg 9, Manitoba; Hugh Lowery, Vice-President, 734 Kildonan Dr. E., Kildonan.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO SIMMONS LIMITED

Question No. 1,409—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Simmons Limited, Dartmouth, N.S. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Simmons Limited and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Simmons Limited as at December 31, 1968 were as follows: R. A. Warren, President, 4300 Western Avenue, Westmount, Quebec; G. T. Dawson, Vice-President, 18 Willow Avenue, Westmount, Quebec; D. B. Dougherty, Vice-President, 170 Chester Avenue, Town of Mount Royal, P.Q.; H. F. Riles, Vice-President, 162 Ruskin Drive, Beaconfield, Quebec; A. C. Guthrie, Director, 4 Girouard Avenue, Dorval, Quebec; J. T. Logan, Director, 300 Park Avenue, New York 22, N.Y.; A. H. Mallette, Director, 88 Dufferin Road, Hampstead, Quebec; J. A. McFadden, Director, 29 Pleasant Street, Winnipeg, Manitoba; J. V. Quarles, Director, 300 Park Avenue, New York 22, N.Y.; G. G. Simmons Jr., Director, 300 Park Avenue, New York 22, N.Y.; J. D. Annard, Director, 6555 Laburnum, Vancouver, B.C.

4. The company is 100 per cent owned by a non-resident parent.

5. The parent company is the Simmons Company, New York.

INCENTIVE GRANT TO PLASTALENE CORP.

Question No. 1,411—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Plastalene Corp., Granby, Quebec and, if so, what is the amount of the grant?

2 What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers to Plastalene Corp. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Plastalene Corp. as shown on their 1969 return are: J. Paul Pritchard, President, 145 Dufferin, St., Granby, P.Q.; John Bonnett, Vice-President, 47 Drummond Street, Granby, Quebec; Normand Coderre, Vice-President, 89 Hebert Street, Granby, P.Q.; John R. Hannan, Secretary, 125 Balfour Avenue, Mt. Royal, P.Q.; Jerome C. Smyth, 64 Roselawn Crescent, Mt. Royal, P.Q.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO MONTROSE WORSTED MILLS INC.

Question No. 1,414—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Montrose Worsted Mills Inc., Montreal, Quebec and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Montrose Worsted Mills Inc. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Montrose Worsted Mills, Inc., as shown on their 1968 returns were as follows: Myron I. Israel, President, 440 Ontario West, Montreal, P.Q.; William Israel, Vice-President, 5802 Wilderton, Montreal, P.Q.; Montagne Israel, Secretary-Treasurer, 728 Upper Roslyn, Westmount, P.Q.

4. The company reports no shares held by non-residents either directly or through intermediate holdings.

5. None.

MANPOWER TRAINING AGREEMENTS WITH PROVINCES

Question No. 1,435—**Mr. MacDonald (Egmont):**

1. What agreements were signed with the provinces for the year 1969-70 with respect to Manpower Training?

Questions

2 What percentage of increase in the volume of training is occurring in each province?

3. What amount of money is being expended, by province?

4. In Prince Edward Island in 1968-69 of the 2,069 adults who took courses under the federal government's Occupational Training Programme (a) what was the nature of these courses (b) what was the average length (c) how many of the graduates of these programmes are now regularly employed (d) how many are in a further programme this year?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. General Purchase and Apprenticeship training agreements were signed with each province.

2. Total expenditures on Adult Occupational Training as a percentage of the previous year's expenditures:

	1968-69	1969-70
Newfoundland	175.3	145.0
P.E.I.	222.6	129.8
Nova Scotia	263.6	126.9
New Brunswick	168.3	159.7
Atlantic Region	206.9	139.0
Quebec	267.6	127.3
Ontario	136.2	118.2
Manitoba	– (1)	107.1
Saskatchewan	– (1)	121.0
Alberta	– (1)	118.4
N.W.T.	– (1)	252.0
Prairie Region(2)	170.5	116.2
Pacific Region(2)	135.0	189.7
Canada	180.8	127.1

(1) Information not available on a provincial basis.

(2) Prairie Region includes Manitoba, Saskatchewan, Alberta and N.W.T. Pacific Region includes British Columbia and Yukon.

3. Expenditures during 1969-70 are estimated as follows:

	Expenditures (Plan) 1969-70 $ '000
Newfoundland	10,630
P.E.I.	2,571
Nova Scotia	14,222
New Brunswick	8,544
Atlantic Region	35,967
Quebec	84,400
Ontario	72,994
Manitoba	9,859
Saskatchewan	7,254
Alberta	14,342
N.W.T.	504
Prairie Region	31,959
Pacific Region	16,124
Canada	241,444

[Mr. MacDonald (Egmont).]

4. Partial reply only is possible, as we have no provincial breakdown for follow-up survey results. (a) Nature of courses purchased in 1968-69 in P.E.I. Agriculture Occupations; Commercial Arts; Barbering; Boat and Ship Building; Blue Print Reading; Burner Servicing; Business Practice (Typing, Bookkeeping); Carpentry; Commercial Cooking; Drafting; Electrical Appliance Repair; Electrical Construction; Electronics; Fisheries Occupations; Hairdressing and Beauty Culture; Handicrafts; Heavy Duty Mechanics; Bricklaying; Auto Body Repair; Navigation; Plumbing, Pipefitting and Heating; Teacher Training; Waiter and Waitress Training; Welding; and Basic Training for Skill Development.

(b) The average length of Skill courses in P.E.I. in 1968-69 was 101 days.

(c) Information on a provincial basis is not available. A follow-up survey of training graduates on a national basis indicated that nearly 80 per cent of 8,000 trainees who responded had found employment following completion of training.

(d) Information not available.

MAIL TRANSPORT TENDERS, LÉVIS-ST.-PHILEMON

Question No. 1,439—**Mr. Lambert (Bellechasse):**

1. What are the names and addresses of the persons who tendered for mail transport between Lévis and St-Philemon?

2. What was the amount of the bid by each?

3. To whom was the contract awarded and in what amount

4. What is the duration of the contract?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1 and 2. Lévis and St-Philemon, H.S. Mrs. Jeanne Richard, 77 Dorval, Lévis, $8,240; Jacques Duchesneau, St Raphaël, $8,500; Adéodat Cliche, 4 Châteaubriand, Lévis, $8,767.29; Mrs. Bertha Gilbert Rémillard, 81 Dorval, Lévis, $8,770; Eugène Rémillard, St Raphaël, $9,000; Eudore Rémillard, 81 Dorval, Lévis, $9,380; Armand Rémillard 77 Dorval, Lévis, $9,900; Léopold Picard, Box 13, Lévis, $9,995; Jacques Simard, 1301 Place Gascogne, Québec 7, $10,108; Jean Marc Bernard, St Raphaël, $10,480; Oscar Couture, 10 Bisson, Apt. 4, St-Romuald, $10,782.36; Lionel Marquis, St-Gervais, $11,000; Jos Roland Therrien, 19 Coté, Lauzon, $11,800; Roland Bélanger, Saint-Vallier, $12,000; Clermont Quirion, 159

Ave Ducharme, Ville Vanier, Québec 8, $12,000; Jos Roland Therrien, 19 Coté, Lauzon, $13,700 (Cancelled); Transol Inc., Box 94, Station-B, Québec 2, $14,329; Egide Gagnon, St-Joseph St., St-Michel, $14,500; Frank Glode Ltée, 774 Du Roi, Québec, $15,250; Gaston Guay, 66 de la Visitation, Lévis, $15,650; François Nolin Ltée, 895—1ère Ave., Québec 3, $16,224; Louis Henri Métivier, 130 St. Augustin, Lévis, $17,200; Yvon Pelletier, 21 Sauvageau, Lévis, $20,130; Richard Cantin, St-Jean Chrysostome de Lévis, $24,012.

3. Mrs. Jeanne Richard at $8,240 per annum.

4. Five years.

GUARANTEED INCOME SUPPLEMENT REPAYMENTS

Question No. 1,444—**Mr. Rynard:**

How many people receiving the Guaranteed Income Supplement are making payments back to the government?

Hon. John C. Munro (Minister of National Health and Welfare): There are at present 24,469 people receiving the Guaranteed Income Supplement who are making payments back to the Government.

PAYMENT OF MEDICARE PREMIUMS FOR INDIANS

Question No. 1,445—**Mr. Yewchuk:**

Until what date does the federal government plan to pay premiums on Medicare for Indian people?

Hon. John C. Munro (Minister of National Health and Welfare): Funds have been appropriated by Parliament for the purpose of paying Medicare premiums for Indian people, up to March 31, 1970, and estimates for the year 1970-71 would provide for continuation of payments during the next fiscal year. Such payments are made on behalf of needy Indians resident on reserves, or pursuing, or having recently pursued the Indian mode of life.

A change will come when all provinces collecting premiums extend to needy Indians the same benefits by way of premium subsidies that they extend to non-Indian residents in need. Making hospital and medical care insurance benefits available to all residents under uniform terms and conditions is prescribed in the Hospital Insurance and Diagnostic Services Act and in the Medical Care Act.

CMHC LOAN, HOME FOR THE AGED, SEPT-ÎLES

Question No. 1,455—**Mr. Blouin:**

Did Central Mortgage and Housing Corporation make a loan for the construction of a home for the aged in Sept-Îles, in the constituency of Manicouagan and, if so, what was the amount of this loan?

Hon. Robert K. Andras (Minister without Portfolio): In February, 1969, Central Mortgage and Housing Corporation approved a loan under Section 16A of the National Housing Act, through the Québec Housing Corporation, to Foyer d'hébergement de Sept-Îles, Inc., in the City of Sept-Îles. This loan, in the amount of $492,120 has financed the construction of a rental housing project consisting of six dwelling units and 62 hostel beds to accommodate elderly persons.

HEALTH AND WELFARE INDIAN EXPENDITURES FOR 1966 TO 1969

Question No. 1,470—**Mr. Mazankowski:**

What was the total expenditure for the Indian population, for health and welfare in the fiscal years 1966-67, 1967-68 and 1968-69?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of National Health and Welfare and the Department of Indian Affairs and Northern Development as follows:

Total Expenditures on Health: 1966-67, $23,633,559; 1967-68, $26,056,040; 1968-69, $29,637,920.

Total Expenditures on Welfare: 1966-67, $19,371,000; 1967-68, $23,564,000; 1968-69, $29,644,000.

INCENTIVE GRANT TO MOTHER'S OWN BAKERY LIMITED

Question No. 1,476—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Mother's Own Bakery Limited, Fox Creek, N.B. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Mother's Own Bakery Limited and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am in-

formed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of Mother's Own Bakery Ltd., as at December 31, 1968 were as follows: Armand Cormier, President, 60 Marjorie St., Moncton, N.B.; Simon Bujold, Treasurer, 92 Connaught, Moncton, N.B.; Gilbert Finn, Secretary, St. Anselme, N.B.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

INCENTIVE GRANT TO TRANSCAN CUSTOM HOMES LIMITED

Question No. 1,478—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Transcan Custom Homes Ltd., Kenora, Ontario and, if so, what is the amount of the grant.

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Transcan Custom Homes Ltd. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3., 4., and 5. Transcan Compact Homes Ltd. was incorporated in Ontario April 29, 1968. The corporate name was changed to Transcan Custom Homes Ltd., September 22, 1969. They have not yet been required to file the appropriate returns under the Corporations and Labour Unions Returns Act from which the answer to the question might be derived by virtue of recent incorporation.

GARNISHEEING OF OLD AGE SECURITY CHEQUES

Question No. 1,493—**Mr. Stewart (Marquette):**

1. How many recipients of Old Age Security in the present fiscal year have had their cheques garnisheed by the Department of National Health and Welfare to recover benefit payments under the Act which they decided they were not entitled to, and in how many of these instances was (a) the total amount of the Old Age Security pension garnisheed (b) more than 50 per cent of the Old Age Security pension recovered by the Department?

2. In the fiscal years 1967-68 and 1968-69, what were the totals and what number in each year had to forfeit (a) the total pension (b) more than 50 per cent of their Old Age Security cheques?

Hon. John C. Munro (Minister of National Health and Welfare): 1 and 2. Old Age Security statistics are not maintained in such a way as to make it possible to provide this information.

Mr. Paproski: Mr. Speaker, I rise on a point of order. You have asked us to put many of our questions on the Order Paper. We have complied with your request and have done so. I notice that today there are about 116 pages of unanswered questions, constituting a booklet about as thick as the Ottawa telephone directory. I am told the number is the largest in 20 years. Surely you should be able to do something about the contemptuous way that the government treats written questions.

Mr. Speaker: Order. I trust that the hon. member is not suggesting that it is the responsibility of the Chair to see that questions are answered. The Chair has noted the submissions of the hon. member, and if there is any way that the Chair can assist in remedying the difficulty to which he points I will do what I can.

*P.E.I. BUDGET SUBMITTED UNDER DEVELOPMENT PLAN 1970-71

Question No. 1,550—**Mr. McQuaid:**

1. Has a proposed budget been submitted by the Province of Prince Edward Island to the Government of Canada with respect to moneys required for the fiscal year 1970-71 under the Development Plan?

2. What are the details proposed in the budget submitted by the Province?

3. Has the whole or any part of this proposed budget been approved by the federal government and, if so, what are the details of the projects approved?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. No, but a proposed budget has been submitted for the approval of the government of Canada and the province of Prince Edward Island by the joint federal-provincial advisory board for the Prince Edward Island plan.

2. and 3. Until such approval has been obtained, no detailed disclosures can be made.

*EXCLUSION OF PRINCE ALBERT AND ADJOINING AREAS FROM INCENTIVE PROGRAM

Question No. 1,589—**Mr. Diefenbaker:**

What are the reasons for the exclusions of the City of Prince Albert and adjoining areas from the Incentive Program, while including other areas in the province where unemployment and growth is greater?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): The Prince Albert area is not the part of Saskatchewan where growth has been most slow. The areas designated are those where industrial incentives can be expected to be most effective in improving employment for the benefit of people in slow growth regions.

QUESTIONS PASSED AS ORDERS FOR RETURNS

DBS NEW EMPLOYEES

Question No. 364—**Mr. Fortin:**

How many new employees have joined the Dominion Bureau of Statistics since April 1, according to (a) grade (b) category (c) salary (d) country of origin and (e) mother tongue?

Return tabled.

GOVERNMENT LOANS IN AND OUTSIDE CANADA

Question No. 571—**Mr. Matte:**

1. What amount has the Canadian Government loaned to date to foreign companies or countries, and (a) what companies or countries are involved (b) what amount has been loaned to each one of these companies or countries (c) what is the duration of each of these loans (d) what is the interest on each of these loans (e) what security did the government require before agreeing to each loan?

2. What amount has the Canadian Government loaned to date to Canadian farmers, and (a) what is the average duration of these loans (b) what is the average interest on these loans (c) what security did the government require before agreeing to these loans?

3. Has the Canadian Government granted any loans to date to provinces and, if so (a) to what provinces (b) in what amounts (c) at what interest rates (d) for what period of time?

4. Has the Canadian Government granted any loans to date to municipalities and, if so (a) which municipalities (b) how much has been loaned to each (c) at what rate of interest (d) for what period of time?

Return tabled.

Orders for Return

SALARIES AND EXPENSE ACCOUNTS, FEDERAL PERSONNEL

Question No. 743—**Mr. Alexander:**

1. How many persons employed by the federal government, including the Armed Forces and the RCMP earn $12,000 or more annually, shown by department or agency?

2. How many, during the past two fiscal years, have submitted expense accounts for travel, removal, accommodation, entertainment or miscellaneous expenditures totalling $6,000 per year or more?

Return tabled.

NATIONAL CAPITAL COMMISSION ACT—RENTAL OF SPACE

Question No. 1,098—**Mr. Isabelle:**

How much space, in square feet, does the federal government rent for office or other purposes within (a) Ontario (b) Quebec comprising the region described by the National Capital Commission Act?

Return tabled.

PAYMENT BY FEDERAL GOVERNMENT TO QUEBEC 1968-69

Question No. 1,169—**Mr. Lambert (Bellechasse):**

What amount was paid by the federal government to the Government of Quebec during the fiscal period 1968-69 for (a) social assistance (b) any kind of pension for which the costs are shared between Ottawa and Quebec (c) construction of schools (d) construction of the Trans-Canada Highway (e) crop insurance?

Return tabled.

UNEMPLOYMENT IN CANADA 1967-69

Question No. 1,195—**Mr. Orlikow:**

1. What was the number of unemployed in each province in Canada in May, June, July, August of 1967, 1968, 1969?

2. What was the number of High School and University students unemployed in each province in Canada in May, June, July, August of 1967, 1968 and 1969?

Return tabled.

INCENTIVE GRANT TO ABITIBI PAPER CO. LTD.

Question No. 1,248—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Abitibi Paper Co. Ltd., Toronto, Ontario and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

Auditor General

3. Who are the directors and chief executive officers of Abitibi Paper Co. Ltd. and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Return tabled.

Mr. Burton: Mr. Speaker, I should like to make an inquiry about question No. 827 which was placed on the Order Paper on January 12 and concerns the Canada Grains Council. I would ask whether inquiries could be made about this question.

Mr. Macdonald (Rosedale): Yes, Mr. Speaker, I will inquire in that regard. With regard to the earlier submission, may I point out that over 75 per cent of the questions asked this session have already been answered, including 57 today.

Mr. Broadbent: Mr. Speaker, with regard to what the House Leader has just said, I should like to point out that questions 162 to 172 standing in my name have been on the Order Paper since the beginning of the session on October 23. This is almost a period of six months. The questions pertain to a very important matter, namely, the degree of involvement of foreign firms in business activities in this country. At various times in the past month I have been promised that the answers would be forthcoming, and I should like the House Leader to give me some assurance as to when the answers can be expected.

Mr. Macdonald (Rosedale): Mr. Speaker, considering the imprecision in the way that the questions have been drawn obtaining replies has taken a great deal of time. It is difficult to inquire into the control of over 800 firms in Canada. However, I will get the replies as quickly as I can.

MOTION TO ADJOURN UNDER S.O. 26

AUDITOR GENERAL

STATEMENTS BY GOVERNMENT MEMBERS CONCERNING ACTIVITIES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I ask leave, pursuant to Standing Order 26, to move the adjournment of the House to discuss a specific and important matter requiring urgent consideration, namely, the unprecedented challenge to the Auditor General, a servant of this House and Parliament, involved in the question asked by the hon. member for Sarnia of the President of the Privy Council as recorded in *Hansard* on March 25, and the subsequent statement made outside the House by the President of the Privy Council, which are critical of the Auditor General in the performance of his duty and which followed almost immediately on the tabling in this House by the Minister of Finance of the Auditor General's report for 1968-69, volume I. In particular, a statement by the President of the Privy Council suggests that he and certain of his colleagues have tried, condemned and found guilty the Auditor General by star chamber tactics that are repugnant to Canadians.

[Mr. Burton.]

The urgency of the situation and of debate lies in the fact that this challenge to the office of the Auditor General must impair his usefulness and encourage government officials to disregard his views, and this House provides the only forum to discuss the question.

Mr. Speaker: The hon. member for Peace River has proposed the adjournment of the House to discuss what the hon. member describes as "the unprecedented challenge to the Auditor General" by the government.

The Chair agrees with the hon. member that the relations between the Auditor General and the government and Parliament constitute a very serious and important matter indeed. The question is not whether this situation should be debated by hon. members in due course, but whether this House should be adjourned for the purpose of considering the matter later today.

As the hon. member well knows, in making its decision the Chair is required by the Standing Orders to take into account the possibility that the matter may be discussed in the House by other means at an early date. There are long-standing precedents to indicate that an immediately pending or continuing budget debate is deemed to provide the type of opportunity envisioned by the Standing Order. The current budget debate has not yet been completed and there are still at the disposal of hon. members two of the six days provided by the rules. I understood the President of the Privy Council to indicate earlier this afternoon that these days would be called on Wednesday and Thursday of this week, at which time the situation alluded to by the hon. member for Peace River might well be considered by the House.

In the circumstances, I must conclude that the hon. member's proposed motion cannot be put to the House at this time under the terms of Standing Order 26.

POST OFFICE

ALLEGED GOVERNMENT MISHANDLING OF MONTREAL POSTAL DISPUTE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave, seconded by the hon. member for Oshawa-Whitby (Mr. Broadbent), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the government's mishandling of the Montreal postal situation and the need for Parliament to consider alternative courses of action.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands has given notice pursuant to the provisions of Standing Order 26 of his intention to request leave to move the adjournment of the House for the purpose of discussing the Montreal postal situation. I am sure the hon. member and all hon. members would agree that the comments I have just made in relation to the motion proposed by the hon. member for Peace River might, to some extent at least, be applicable to the situation raised by the hon. member for Nanaimo-Cowichan-The Islands. However, there are additional considerations which should be referred to at this time.

• (2:40 p.m.)

In deciding whether or not leave should be granted, the Chair must take into consideration also the limitations placed on that procedure by the terms of Standing Order 26. Hon. members may recall that as long ago as February 18 last the hon. member for Peace River requested and was granted leave to move the adjournment of the House for the purpose of discussing the crippled mail service in Montreal. It seems to me the proposal now being submitted by the hon. member for Nanaimo-Cowichan-The Islands is in essence the same continuing question. In this regard subsection (d) of section 16 of Standing Order 26 reads as follows:

the motion must not revive discussion on a matter which has been discussed in the same session pursuant to the provisions of this Standing Order;

In other words, it has long been established that there can be only one emergency debate during the course of a session on one subject. I realize full well that because there has been debate on a general subject it is difficult to determine whether or not there are different aspects of the question which might not militate in favour of having a second debate which would not be precisely on the same terms as the one previously. But I would think the circumstances would be very rare in which the Chair should place itself and the House in the position of having a second emergency debate and a second discussion of a situation which essentially has been considered by the House under the terms of Standing Order 26.

The decision has caused me some difficulty and some anguish, but in view of the rather specific provisions of subsection (d) of section 16 of Standing Order 26 I think the motion cannot and should not be put at this time.

ORAL QUESTION PERIOD

POST OFFICE

MONTREAL POSTAL DISPUTE—POSITION OF FORMER LAPALME EMPLOYEES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, in the absence of the Minister of Labour, who I believe is in cool waters, I should like to direct a question to the Prime Minister regarding the Montreal postal troubles. Can the Prime Minister advise if the government has made any further changes of policy so as to do more toward protecting the employment rights of the G. H. Lapalme workers who formerly carried the mail?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the position of the government remains the same. The Goldenberg report is accepted and is being and will be implemented by the government. There are of course, matters which have been discussed between the leaders of the CNTU and the President of the Treasury Board regarding the ways in which it should be implemented, but the fundamental position of the government remains the same.

Mr. Macquarrie: I have a supplementary question, Mr. Speaker. Is it the view of the Prime Minister and the government that these steps meet what Commissioner Goldenberg called the government's moral obligation to seek to protect the employment of these men?

Mr. Trudeau: Yes, Mr. Speaker. As has been made known to the public, the position of the government is that in so far as a number of men would be required to continue the service of delivery of mail by truck these men would be given preference in respect of being hired by the public service for the pur-

suance of this service. We are concerned with making sure that the men who have worked in these positions in the past would be given the choice of continuing to work in these positions in the future, with all the added security and other advantages which accrue from working in the public service.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in taking the decision to have the trucking of postal material in Montreal carried out by the government, may I ask the Prime Minister whether the government gave the employees any assurance, first of all, of job security and of retaining the same rates of pay and retaining their security rights? Were these assurances given to the employees, or does the government intend to give such assurances to the employees?

Mr. Trudeau: Mr. Speaker, the government has given many assurances to the representatives of the employees. These will be made public in due course, but as is proper in the field of labour negotiations the dealings have been between the President of the Treasury Board and the duly chosen representatives of this particular union. We are still hopeful that the men will get the total message the government wants to convey to them, but we are still determined to communicate through the official representatives of the union. For that reason I do not think it is useful at this point to go into the details of the offer made by the President of the Treasury Board.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that the public has a right to know why the employees to date have been refusing to accept the government's offer, may I ask the Prime Minister if the government is offering these workers considerably lower rates of pay than they have been enjoying up until now?

Mr. Trudeau: Mr. Speaker, I agree with the hon. member that the public has a right to know, but I am sure that if the government had taken the position of not dealing with the representatives of the union and had talked directly over their heads to the men and the public he would be the first to condemn us.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Prime Minister whether the government intends to continue with its policy of having the trucking done by the government itself or does it intend to revert, as has been reported, to making contracts with various firms and including some stipulation in those contracts in respect of wage security and seniority?

Mr. Trudeau: In answer to the first question, Mr. Speaker, I indicated it was the intention of the government to implement the terms of the Goldenberg report. This means inviting the former employees of Lapalme to enter the civil service and work as civil servants in the jobs they previously occupied.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a supplementary question for the Prime Minister.

In view of the confusion now prevailing with respect to the post office, would the Prime Minister look into the opportunity or the possibility of granting the mail delivery contract for Montreal to Mr. Michel Chartrand, for instance, just to see if he could do better than everybody in dealing with the employees?

[*Later:*]

[*English*]

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a supplementary question for the Prime Minister. In view of what the Prime Minister just said about going over the heads of the official negotiators of the union and the inappropriateness of such action, would he consider reprimanding the Postmaster General for doing precisely this in the current negotiations with the postal workers?

MONTREAL POSTAL DISPUTE—PAYMENT OF COMPENSATION FOR CANCELLED CONTRACTS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, is it the intention of the government to fully compensate the contractors, whose contracts were summarily cancelled on April 1, for the purchase of trucks and other necessary expenses incurred by them in order to carry out these contracts?

Right Hon. P. E. Trudeau (Prime Minister): As was recommended by Dr. Goldenberg, this matter has been referred to the Department of Justice and we intend as a government to discharge any obligation we may have in this regard.

BROADCASTING

CANCELLATION OF LICENCE OF CKPM BY CANADIAN RADIO-TELEVISION COMMISSION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State. Although it is difficult to know under which department some of these organizations actually come. I am speaking of the Canadian Radio-Television Commission. I think it comes under the hon. gentleman when he is here. Today I would ask him whether it is acceptable to the government that Pierre Juneau as chairman of that commission, without a hearing and in almost a star chamber fashion, to use the words of the President of the Privy Council, should have cancelled the licence of CKPM? What is the attitude of the minister in this regard? Will he secure an explanation from Mr. Pierre Juneau in respect of his statement that he could not conceive of Mr. Stewart having the right to apply for a licence again? Surely the minister can speak out and assure us that Canadians shall not have their rights determined by any government board without a hearing.

Mr. Speaker: Order, please.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am wondering if the right hon. member for Prince Albert has addressed a question to me. In the allegations he has just made, and I do not even admit half of them, I have not found the elements of a question. If he cares to put a question to me, I shall try to answer it.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I can understand the minister having difficulty understanding the House of Commons after holidaying for weeks—

Mr. Speaker: Order, please. Perhaps the right hon. gentleman might ask his question.

Mr. Diefenbaker: Yes, Mr. Speaker. My reference arose out of the challenge expressed by the minister, and I am sure he wants information. I ask him this: is it considered proper that a Canadian should have his rights determined by Pierre Juneau regardless of the fact that no opportunity has been given for a hearing and regardless of whether or not the minister approves of the statements made by this commissioner that he is going to act as he will, with no regard for Canadian feeling?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I said I do not admit the allegations made by the right hon. member for Prince Albert. They are inadmissible because they do not represent the truth, the reality or the facts. Therefore, I cannot agree with the conclusions that the hon. member draws himself from false assertions.

[*English*]

Mr. Diefenbaker: Evasion like that may be all right in newspaper offices but this is Parliament. I ask the minister: will he get in touch with this dictator, Juneau, and find out the facts?

Mr. Speaker: Order, please.

[*Translation*]

Mr. Pelletier: Mr. Speaker, first I think that the CRTC is not Mr. Pierre Juneau. It is the whole Canadian Radio-Television Commission and if the right hon. member for Prince Albert has doubts on this matter, I should advise him to read the Broadcasting Act. If my memory serves me right, he was not in this House when the legislation was passed.

[*English*]

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, on a question of privilege—

Mr. Speaker: Order. Of course I will recognize the right hon. gentleman on a question of privilege but I trust we will be given an opportunity to go on to the next subject at an early date.

Mr. Diefenbaker: My question of privilege is this: who is this minister who dares to treat Parliament so insolently? Questions are asked but he laughs at Parliament, and that is what he has done all along.

Mr. Speaker: Order, please. Has the hon. member for Annapolis Valley a supplementary question?

Mr. J. P. Nowlan (Annapolis Valley): I welcome back the Secretary of State from his external affairs tour. My supplementary question is: would he check with the chairman of the CRTC and make a statement to the House, hopefully tomorrow or whenever he is going to be in the House next, to amplify

the reasons given by the CRTC in its press statement of March 25 saying that the ownership and control of the licensee company has not been clarified to the satisfaction of the commission, and would he point out in particular in what way these points have not been clarified by the licensee company?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I should be very happy to contact the Canadian Radio-Television Commission in order to ask whether additional explanations may be supplied to the hon. member who has just asked a question.

As regards the question put by the right hon. member for Prince Albert, that is to say who I am, I refer him to the Parliamentary Guide where he will find useful information about me.

[*English*]

Mr. Diefenbaker: The minister will hear about this. He is the most arrogant and insolent minister in Parliament. He is never here at all, he is always somewhere else.

FISHERIES

WEST COAST COMMERCIAL SALMON FISHING LICENCES—POSITION OF INDIANS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, perhaps I might be permitted to change the subject and address a question to the Minister of Fisheries and Forestry. The question concerns the salmon licencing arrangements, with particular reference to the Indian people in British Columbia. Arising out of the answer given to me by the Minister of Indian Affairs and Northern Development on March 25, may I ask whether the Minister of Indian Affairs and Northern Development has met with him since March 25, and have the two ministers reached a solution in regard to ensuring that the Indian people of British Columbia are not squeezed out of the salmon fishery?

Mr. Speaker: Order, please. I am not sure that the first part of the question is in order. The minister might like to reply to the last part.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I have been in close consultation with the Minister of Indian Affairs and Northern Development for some time regarding the problem faced by Indian fishermen in British Columbia being able to raise the amount of money necessary to pay their fees in the commercial salmon fishery in 1970.

Mr. Barnett: Can the minister tell me whether all Indian fishermen have been able to raise the fees and to qualify for permanent licencing in the salmon fishing industry in British Columbia under the agreement reached with the other minister?

Mr. Davis: All of the applications received so far from the native people on the west coast—and at this date they approximate half of the total—have included the full payment of the fee. We do not really see any problem. If, however, there is a problem we will meet it through the Indian fishermen's assistance program on the west coast.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—APPLICATION OF QUOTAS

Mr. J. H. Horner (Crowfoot): I should like to direct a question to the Minister of Agriculture, but in his absence perhaps I may be permitted to direct it to the Prime Minister. First of all, I should like to point out to you, Mr. Speaker, that I have the roster before me and according to it the Minister of Agriculture is supposed to be on duty on Mondays, Tuesdays and Thursdays. In light of the concern in western Canada arising out of the wheat acreage program it is regrettable that the minister is not in the House today to answer the questions that western Canadian farmers are asking concerning this program. I will direct my question to the Prime Minister in the hope that he may be able to answer it. Arising out of the wheat acreage reduction program and the allocation of quotas based on summerfallow in the coming crop year, there is a guarantee of eight bushels per summerfallow acre of wheat allowable for delivery. Is this guarantee of eight bushels under wheat transferable to any other crop? I ask that question in all seriousness because very shortly western farmers will begin to plant their spring crops and will want to know whether or not the eight bushels are guaranteed for any crop other than wheat.

[*Translation*]

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, allow me to answer this question on behalf of the Minister of Agriculture who is now in the western provinces precisely to try and settle the problems that my hon. friend finds alarm-

ing. When he is in the House, he is blamed for not solving problems.

I will bring this question to the minister's attention, Mr. Speaker.

[*English*]

Mr. Horner: I have a supplementary question, Mr. Speaker. In light of the fact that according to the roster the Minister of Agriculture is to be present in the House tomorrow, perhaps his Parliamentary Secretary could bring these questions to the minister's attention so that he can answer them tomorrow. The supplementary question is if in fact the eight bushel quota guarantee is not transferable, assuming that the surplus wheat is in the hands of a third of the farmers, then is the government in fact not guaranteeing to two-thirds of the farmers who have not a surplus of wheat that if they plant wheat this spring they will be given an eight bushel quota, and will this in fact not encourage them to plant wheat this spring?

Mr. Speaker: Order, please. My understanding is that the hon. member has invited the Parliamentary Secretary to take note of the supplementary question and bring it to the attention of the minister.

Mr. Horner: I have one more supplementary question which I think I should put at this time.

Mr. Speaker: Order. I suggest that perhaps it should be as brief as possible because the first two questions were rather lengthy.

Mr. Horner: I am sure that if Your Honour checks back over the record you will find that I have been very brief in the question period in particular.

In light of the fact that the Minister of Agriculture, according to the roster system, is supposed to be in the House tomorrow, perhaps his Parliamentary Secretary might take this question also as notice.

Further, in light of the fact that the Minister of Agriculture knows the eastern irrigation district very well because he used to represent it, I would like to ask him this question and through you, Mr. Speaker, or his Parliamentary Assistant perhaps reach him: are he and his department considering additional moneys for summerfallow in the irrigation area because of the tremendous cost involved in summerfallowing land, particularly in the eastern irrigation district, and will additional consideration be given to this under the wheat acreage reduction program—

Mr. Speaker: Order, please.

Mr. Horner: —because I might add—

Mr. Speaker: Order, please. The hon. member has had the floor for a considerable time. Now he is asking supplementaries. Perhaps he will take it for granted that the minister will answer.

Mr. Horner: I only hope he is here tomorrow.

[*Translation*]

FINANCE

QUEBEC—REPRESENTATIONS RESPECTING REFUND OF $200 MILLION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct a question to the Prime Minister.

In view of the disagreement between the Quebec government and the central government in connection with the $200 million deemed to have been collected in the province of Quebec under the social development tax, is the Quebec government making representations to or having talks with the federal authorities about the refund of those 200 millions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think that there is at the present time any exchange of views between the two levels of government. Some time ago, the premier of Quebec, or the provincial Minister of Finance, wrote to the federal Minister of Finance (Mr. Benson) in that respect. I perused the answer prepared by the federal Minister of Finance, and that letter must have already been received by the Quebec minister. As for us, the matter has been settled for a long time and I think that the citizens of the province of Quebec will be pleased when, as soon as possible, the provincial government implements the medicare system.

Mr. Caouette: Mr. Speaker, I should like to put a supplementary question.

In connection with this quibbling, as it could be called, has the Prime Minister or the government been advised by Mr. Mario Beaulieu that the province will separate from Canada in 1974, if Ottawa does not accede to the claims of Quebec?

Inquiries of the Ministry

[*English*]

POLLUTION

MERCURY CONTAMINATION OF FISH IN LAKES ERIE AND ST. CLAIR—COMPENSATION FOR FISHERMEN

Mr. Jack Cullen (Sarnia): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Following discussion and negotiation with the government of the province of Ontario I am wondering if his department will undertake to compensate those who will not qualify for unemployment insurance but will suffer a loss of income because of fish being poisoned by mercury? Will the department supplement their incomes to the level they would have earned except for the government's ban?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, a program of that kind is under consideration. I might mention that I am meeting tomorrow with the Minister of Lands and Forests and the Minister of Energy and Resources Management of Ontario about this particular problem.

Mr. Cullen: Would the minister consider making a statement on motions so that the fishermen in this particular area, and I am thinking also of the fishermen in the Lake Huron area, will know exactly where they stand and whether or not they should fish this year?

Mr. Davis: I hope we can make a statement soon, Mr. Speaker. I expect that the fishermen in that area would get the same treatment, or treatment equivalent to that received by fishermen in Newfoundland last year when they were faced with a similar situation.

Mr. W. B. Nesbitt (Oxford): Would the minister make a brief statement in reply to my question now, or on motions tomorrow, and clarify the situation as to whether these fish in Lake St. Clair and Lake Erie are poisonous or not? There are conflicting reports, Mr. Speaker, and no one wants to buy the fish. One day they are declared to be poisoned, and the next day they are declared not to be poisoned. Could the minister clarify the situation?

Mr. Davis: Perhaps I could say quite simply that the pickerel in Lake St. Clair do present a problem. Those from the extreme western end of Lake Erie are close to the very safe international standard of .5 parts per million. Those in the rest of Lake Erie, and that is the great bulk of the Lake Erie perch fishery, are comparatively low in mercury, but we want to be sure, as a result of a long series of tests, that all our fish are safe from the consumers point of view.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I would like to ask a supplementary question of the Minister of Fisheries and Forestry on this subject. Could he tell us now, or in the statement on motions which was suggested, whether any steps are under way to ensure that the people responsible for creating the mercury pollution in these lakes will be paying some of the compensation required by the fishermen because of the loss of their fish catch?

Mr. Davis: Mr. Speaker, this is one of the topics for discussion with the Ontario ministers tomorrow.

[*Later:*]

Mr. R. E. McKinley (Huron): A supplementary question, Mr. Speaker. Is the minister confirming that no fish with any dangerous level of mercury in them have been found in Lake Huron?

Mr. Davis: Mr. Speaker, we have no definite indication of a problem in Lake Huron. Tests, however, are being carried out in respect of all fish in the Great Lakes area.

SASKATCHEWAN RIVER—MERCURY CONTAMINATION OF FISH—PRECAUTIONS TO SAFEGUARD PUBLIC

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I ask the minister a supplementary question with regard to mercury pollution in the Saskatchewan River caused by the co-op plant in Saskatoon. Are adequate precautions being taken to safeguard the public? I do not necessarily mean the commercial fishermen but others who may be involved in sports fishing, and Indians who may rely on fishing for their livelihood?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, the situation on the Saskatchewan River is that the pollution from the plant was stopped within 48 hours of the determination of the source of the pollution, namely, the co-op plant downstream from Saskatoon. The situation is different on the prairies in that our Crown-owned Freshwater Fish Marketing Corporation has been buying all the commercial catch from the Saskatchewan River system.

Mr. Korchinski: Just for clarification, Mr. Speaker, may I say I understand the situation with respect to the commercial fishermen, but what I am concerned about at this time is that the public be adequately warned of the danger of eating these fish. I refer in particular to Indians and to sports fishermen who may be using the fish from these contaminated waters?

Mr. Davis: Mr. Speaker, I have no hesitation in saying that we have been working with the Indian Affairs Department and with the provincial departments concerned with this matter for a period now of five or six months, and I am sure that anyone who is engaged in that fishery, knows of the dangers involved.

UPGRADING OF RESEARCH AND CONTROL PROCEDURES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a supplementary question to the Minister of Fisheries. In view of the fact that the type of pollution encountered in western Canada, central Canada and eastern Canada seems to be a recurring problem, is the minister giving any consideration to upgrading the research and control procedures within the department in order to short-circuit much of the contamination and pollution and thus eliminate much of the cost involved?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this is not a recurring problem. We have identified the 12 possible sources of mercury pollution in Canada. We think we have now found the principal ones, and all of the companies concerned are taking remedial action. This will eliminate the sources of mercury, and natural flushing out of the river systems will eliminate the problem within the next year or two.

PENITENTIARIES

INVESTIGATION OF SUICIDES—CORRECTIVE ACTION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I ask the Solicitor General whether an investigative study was carried out into suicides in federal prisons, as alleged by Dr. Bruno Cormier of McGill University, and whether corrective steps will be carried out as a result of this study?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, as I indicated on the last day that the House sat before the Easter recess, we are very much concerned about this problem. We are now conducting an investigative study within the department with a view to determining what kind of further investigation should be carried out to get to the root of the problem. As I indicated in my answer on that occasion, we are very much concerned about the matter and are determined to get to the root of the problem.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS—REQUEST FOR TRANSCRIPT OF PROCEEDINGS AT MEETING

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Minister of Indian Affairs and Northern Resources or his Parliamentary Secretary. Would the minister undertake to obtain and table in the House a transcript of the proceedings at the public meeting held in northern Quebec between representatives of the government of Canada and of the government of Quebec and the native people, when the native people indicated they were unhappy about the proposals made to them and that they in turn may make a claim to the lands in that part of the country which have never been the subject of any treaty?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I understand there were a series of meetings. If my hon. friend is referring—

Mr. Baldwin: The one on February 19.

Mr. Honey: In any event, Mr. Speaker, I will relay his request to the minister who will advise him.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. André Ouellet (Papineau): Mr. Speaker, millions of hockey fans throughout Canada, more particularly the supporters of the Montreal *Canadiens*, have apparently been cheated yesterday afternoon during a game between the Detroit *Red Wings* and the New York *Rangers*.

I should like to ask the Minister of Justice whether he could urge the president of the National Hockey League to investigate the circumstances surrounding yesterday's defeat of the Detroit team in New York?

Inquiries of the Ministry

[*English*]

CRIMINAL CODE

UNIFORM ENFORCEMENT OF BREATHALIZER PROVISIONS

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the Minister of Justice. In view of the minister's intended reference to the Supreme Court of Canada of the breathalyzer provisions concerning impaired driving, is it his intention to contact the Attorneys General of the different provinces across Canada to obtain uniformity of practice with regard to impending charges and charges where convictions have been registered and the driving licences of the people concerned have been suspended?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, of course the decision as to how the breathalyzer provisions will continue to be enforced across Canada is one for the several provincial Attorneys General, but I shall take into consideration the proposition made by the hon. member.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question for the President of the Privy Council. In view of the problems created by this excessive use of executive power, would the minister arrange to bring forward for discussion and decision at an early date the recommendations of the committee on statutory instruments which contain precautions against the kind of impropriety we have recently seen?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, it seems to me the hon. member may misunderstand the situation. This situation has been very adequately protected by the courts.

FISHERIES

APPOINTMENT OF PRESIDENT AND CHAIRMAN OF CANADIAN SALTFISH CORPORATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Fisheries. In view of the fact that the legislation setting up the Canadian Saltfish Corporation received royal assent on March 25, and particularly in view of a telegram sent by the minister to the exporters asking them to desist from further exporting activities, is the minister now in a position to state when the president and chairman of the Canadian Saltfish Development Corporation will be appointed? The delay is hurting our marketing activities for the current season.

[Mr. Ouellet.]

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, perhaps I can assure the hon. member that work is proceeding and there are no delays. The appointments will be made, in the case of the chairman hopefully by this weekend, and in the case of the president by mid-month.

CRIMINAL CODE

SUGGESTED PROCLAMATION OF ALL BREATHALYZER PROVISIONS

Mr. Stanley Knowles (Winnipeg North Centre): I have a question for the Minister of Justice, Mr. Speaker. In order to avoid further delay or confusion with regard to the breathalyzer law, is the government considering proclaiming all the breathalyzer provisions so that they may be in effect from now on, whatever the past situation may have been?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I think the matter is properly before the courts and I should let it run its course before deciding what future course to recommend to the government. I intend to await the judgment of the Supreme Court of Canada.

BREATHALYZER PROVISIONS—SUPPLYING OF NECESSARY SCIENTIFIC EQUIPMENT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wonder if the Minister of Justice could tell us at this stage whether there have been any negotiations or arrangements made with any organization or corporation in this country for supplying the necessary scientific equipment as set out in the bill passed by Parliament?

Hon. John N. Turner (Minister of Justice): Yes, Mr. Speaker. As I stated on an earlier occasion, the Royal Canadian Mounted Police have been analysing all the applications for approval of sample breathalyzer equipment and are still doing so. To date they have not found themselves able to certify any particular make of equipment.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, that practically answers the question I had in mind except to ask if the minister can state whether any container has been developed that will assure the protection and preservation of the rights of the accused as contemplated under the act?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, a lot of containers have been manufac-

tured but as yet none has received the approval of the authorities in Canada. That is to say, so far no container is sufficiently foolproof to justify its use under the criminal statute.

Mr. Diefenbaker: The bill was brought in before it should have been.

PUBLIC WORKS

DELAY OF QUEBEC PROJECTS IN LIGHT OF POLITICAL SITUATION

Mr. Robert Borrie (Prince George-Peace River): Mr. Speaker, my question is related to an answer given previously by the right hon. Prime Minister. Will the Ste. Scholastique airport and a number of other federal projects scheduled for Quebec be delayed while assessment is made of the apparent statements in favour of separatism by two political parties seeking election in that province?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, federal policies are designed for the advantage of all citizens of Canada. If we were to suspend their completion every time some petty provincial politician from any province threatened separatism we would get nowhere.

INFORMATION CANADA

CONSULTATION BY MINISTER WITH DIRECTOR PRIOR TO ALLEGED CHANGING OF NEWS STORY

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is for the Minister without Portfolio who speaks for Information Canada in the House. I should like to ask if the minister, who was not in the House for a few days before we recessed for Easter, consulted with the director of Information Canada before intervening personally to change the Canadian Press story reporting partisan influences in Information Canada?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the hon. member does not do justice to the Canadian Press. I have no means of changing any story of theirs. When questioned I simply gave my side of the story and they were kind enough to include that which had not been included before. The director had not yet been appointed at that time.

Mr. Nowlan: Mr. Speaker, the minister came to my question in the last part of his answer. My question was, did he consult before he amplified his position to the Canadian Press. I should like to know if it was before or after.

Mr. Stanbury: I have just said, Mr. Speaker, that I did not consult. There was no director at the time and I have not consulted with him since about my statement.

Mr. Nowlan: A supplementary question, Mr. Speaker. This is a rather important matter which has not come before Parliament in the proper way. In view of the serious threat to accurate reporting posed by the appearance of partisanship in Information Canada, will the minister use his good offices with the chairman of the Standing Committee on Broadcasting, Films and Assistance to the Arts to have the director of Information Canada, Mr. Gagnon, appear before that committee to define his terms of reference and to explain some of his past partisan political activities?

Some hon. Members: Oh, oh!

Mr. Horner: Good question.

Mr. Nowlan: A point of order, Mr. Speaker.

Mr. Speaker: The hon. member is rising on a point of order.

Mr. Nowlan: Mr. Speaker, I do not want to take the time of the House today but the minister was not in the House for several days before we rose, even though he was on the roster. Certain things happened in regard to Information Canada which caused a great deal of gloom and left a cloud over it. I thought the minister was about to rise to answer this question because the whole matter has not come before Parliament. It has been slipped in as an estimate of $7 million at a time when this government is chopping expenditures, everywhere.

Mr. Speaker: Order, please.

[*Later:*]

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my supplementary question is addressed to the Minister without Portfolio responsible for Information Canada. Would the minister instruct the director of Information Canada, as one of his first duties, to use his influence to have the minister answer the questions on the Order Paper?

Mr. Speaker: Order, please.

Inquiries of the Ministry

INQUIRY OF THE MINISTRY

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Secretary of State. Would the minister demand from the president of the CBC an explanation for the terrible mistake in programming which occurred last night when The Forsyte Saga, a good program, was actually scheduled in prime viewing time?

BILINGUALISM AND BICULTURALISM

TERMINATION OF COMMISSION'S WORK—FINAL REPORT

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I should like to ask a question of the right hon. Prime Minister. Has the Royal Commission on Bilingualism and Biculturalism ceased functioning, and when does the Prime Minister expect to receive any final reports, including one dealing with the role of cultural or ethnic groups other than English and French, in accordance with the terms of reference?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I can only answer in general terms. Some months ago I did meet the co-chairmen of the Royal Commission who told me that they could finish their work by March 31 but that there may be some problems of printing or editing thereafter. I believe their main task on the substance of the report was finished by March 31 and that the subject referred to by the hon. member has been dealt with. At what precise moment it will be printed I cannot say, but it will obviously be very soon.

POLICY FOLLOWING THIRD REPORT OF COMMISSION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I wonder if the Prime Minister can tell the House and the country if the government has made up its mind yet on the third report of the B and B Commission?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Nowlan: A further supplementary question, Mr. Speaker. When can the House and the country expect a policy statement on that portion of the B and B work?

Mr. Trudeau: Mr. Speaker, there is a lot of implementation to be proceeded with on the other portions of the B and B report and we still need some time ahead of us before implementing every part of the reports.

[Mr. Speaker.]

INQUIRY OF THE MINISTRY

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, may I direct a question to the Minister of Justice. In view of the fact a Spence Bay Eskimo has been charged with bear hunting on the ice off the Northwest Territories, will the minister say if he thinks Jimmy Tootalik will come out of his trial with a "bare" skin?

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

FISHERIES

BOUNTY FUND—DISTRIBUTION TO PROVINCES

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. Has the minister received resolutions from the legislative assemblies of the Maritimes asking that the fund designated or known as the fishermen's bounty be distributed to the provinces? Also, has he plans to accede to this request?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I have not seen any such representation. If it has, in fact, been made I will consider it, even though it be ill advised.

REGIONAL ECONOMIC EXPANSION

SIGNING OF AGREEMENTS WITH NEW BRUNSWICK AND NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. When does he expect to sign the agreements with the provinces of New Brunswick and Newfoundland in connection with the special areas program he announced on March 15? In anticipation of the minister's answer, will he define "soon" for us?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): For all practical purposes, Mr. Speaker, the negotiations with New Brunswick are complete. Only formalities have to be approved. As to Newfoundland, the matter should be settled soon.

[*English*]

FISHERIES

SEALS—PICTURES ON CBC TELEVISION—REQUEST FOR STATEMENT

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. Will the minister make a statement to the House at the earliest opportunity on the question of seal hunting? Pictures recently shown on television indicated that the law was being broken. Could the minister and his officials find out whether the pictures shown by the CBC were accurate representations, or fraudulent as has been suggested?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I will certainly give consideration to that submission. I may also mention that our mail in respect of seals is down substantially this year.

Mr. Hees: That is not because people are not writing.

ACTION ON SIXTH REPORT OF STANDING COMMITTEE, MAY 9, 1969

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a supplementary question to the Minister of Justice. Has the minister's department taken action on the sixth report of the Standing Committee on Fisheries and Forestry of May 9 last? If not, when may we expect some action on the report?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the last time I replied to that question I said to the hon. member in the House that one of the witnesses was in Australia. We are having some trouble finding him.

Mr. McGrath: A supplementary question, Mr. Speaker. Would the minister consider sending the hon. member for Gander-Twillingate to Australia? He might have some luck in finding him.

Mr. Turner (Ottawa-Carleton): That is a good idea.

• (3:30 p.m.)

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House proceeded to the consideration of Bill C-3, to amend the Criminal Code, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Douglas A. Hogarth (New Westminster) moved:

That Bill C-3, an Act to amend the Criminal Code, be amended by inserting the word "publicly" after the words "Everyone who" in line 6 on page 1.

Mr. Speaker: It is my understanding from the advice I have received that the words referred to are on line 7 of the bill as reprinted, as opposed to being on line 6 of the original bill. I assume that hon. members would want the proposed amendment to be moved in those terms. Is that agreed?

Some hon. Members: Agreed.

Mr. Woolliams: On a point of order, Mr. Speaker; since I want to move several amendments to the bill it will be necessary to change the wording of my proposed amendments in the way Your Honour suggested just now with respect to the amendment of the hon. member for New Westminster (Mr. Hogarth). We did not receive copies of the new bill in our offices until this morning; I am talking of the amended bill which has been before the Standing Committee on Justice and Legal Affairs. As a result, we have had to rely on the old bill in drafting our amendments. I would ask that there be added to my proposed amendment the words "lines 1 to 9, on page 5 thereof". Otherwise, the amendment would read improperly.

While I am on my feet may I draw something to Your Honour's attention? Since these matters are now considered by a standing committee of the House of Commons instead of by a committee of the whole House, we are experiencing some problems in placing our amendments on the Order Paper in good time. I say that because amendments placed on the Order Paper have to be drafted before the reprinted bill is printed, and I ask for some direction from the Chair in this regard. It was impossible to draft proper amendments which are to be presented in this important debate touching on the freedom of speech.

Mr. Macdonald (Rosedale): Mr. Speaker, may I speak to the point of order? It is my understanding of the circumstances here that there was no obligation to submit a bill as reprinted. It was really for the convenience of the House that the reprinted version was circulated. On this basis, I do not think any hon. member should be prejudiced by reason of the revised version. The reprinted version

was circulated out of our motivation to be helpful. Since that is why the reprinted version was circulated, there is no reason for not modifying the amendments.

Mr. Woolliams: Mr. Speaker, with the greatest respect, I trust the government house leader can see the problem.

Mr. Macdonald (Rosedale): I can, indeed.

Mr. Woolliams: If many amendments have been suggested in the standing committee where the bill has been considered, then surely, if these amendments are to be logically and intelligently considered, copies of the bill should come before the House in good time.

Mr. Brewin: Mr. Speaker, speaking to the same point of order, may I say that I have not yet received the helpfully amended bill. I wonder where it is.

Mr. Speaker: Order, please. My understanding is that it should be in the hon. member's file. An additional copy will be sent to the hon. member immediately. I suggest the point raised by the hon. member is well taken. It complicates the work of hon. members when a bill which has been substantially amended is not distributed until the time when the bill is to be debated. I am advised that this bill was actually reprinted some days ago and it is difficult for the Chair to understand why it was not distributed earlier. My suggestion would be that perhaps the general policy should be established that any bill which is amended at the committee stage should be automatically reprinted so that it will be much easier for hon. members to consider the amendments when the bill comes before the House at the report stage and so that they know to which amendments reference is being made. If this procedure were adopted as a matter of policy by our committees, then there would not be the difficulty with which we are confronted today.

The point made by hon. members is worth considering and I will consult with the committee branch, with the clerk and the table officers, to see whether we can prevent a recurrence of this difficulty.

Mr. Hogarth: Mr. Speaker, just so that there is no misunderstanding with respect to what has been agreed, and certainly I agree with the sentiments expressed by my hon. friend, the relevant wording in the first paragraph as amended would read, "Everyone who publicly advocates or promotes genocide is guilty of an indictable offence...".

This bill has been before Parliament and the Senate on a good number of occasions, so to speak. It has been debated in the Senate and in the House and has received a very thorough going over before the Standing Committee on Justice and Legal Affairs. I think all of us are gravely concerned about the bill because it deals with one of the very fundamental things with which we in a democratic society are concerned, the right of our freedom of expression. It is regrettable, in a sense, that such legislation is even necessary in Canada today.

As the bill stands, it creates three substantive offences. The first of those is the one I have just mentioned and is contained in paragraph 267A. That provides that anyone who advocates genocide is guilty of an indictable offence and liable to imprisonment for five years. The second offence deals with a breach of the peace resulting from someone inciting hatred against a minority group in a public place, and the third offence is the one which deals with wilfully promoting hatred in other than private conversations.

The penalties with respect to the three offences should be very carefully considered. First, the penalty dealing with the advocacy or promotion of genocide is up to five years imprisonment. It is to be specifically noted that this offence is solely an indictable one. The second offence, making statements with respect to hatred toward minority groups, is indictable and punishable by only two years imprisonment, or if the Crown so chooses, it can proceed by summary conviction in which case the penalty is much less. The maximum in that case is six months or a $500 fine. The third offence created in this bill is one of willfully promoting hatred. Similarly, the Crown can proceed by indictment or summary conviction. The maximum penalty when proceeding by indictment is two years. Should the Crown prefer to proceed by way of summary conviction, the same provisions apply as to the second offence.

There is a distinct difference between the first, second and third offences. Where statements are related to the second and third offences, private conversations are excluded. There can be no prosecution for the second and third offences unless the advocacy of hatred takes place in a public place or other than in a private conversation. My concern is that in the first instance, where a person

advocates genocide, which I agree is a terribly reprehensible thing to do, that person can be guilty of the offence no matter when, where or under what circumstances it took place, even in the privacy of his own home in the presence of two people. If he advocates or promotes genocide, he will be guilty of an offence and liable to imprisonment of up to five years. There is no option of the summary conviction proceedings which appear with respect to the other two offences.

As far as I am concerned, people who make statements in public that incite hatred against ethnic groups which bring about breaches of the peace, or people who wilfully promote hatred in public or advocate genocide in public, should definitely be held accountable in the criminal courts. I agree that these should be offences, but I cannot see why the genocide provisions should be singled out as being so much more reprehensible than the other two offences.

It could be said that the concept of genocide carries with it a greater degree of culpability because it relates to the destruction of the whole ethnic group or puts that group into a situation where its physical destruction is inevitable. In contrast with that, who in Canada today is going to take the advocacy of such a proposition seriously? In addition, it is extremely unlikely that a person who makes statements of this nature, even in the privacy of his own home or in the privacy of another person's home, is going to be taken seriously and is going to do the public any serious harm.

I suggest there is no real need for the criminal law to so restrict our freedom of speech that it will be an offence punishable by five years' imprisonment when somebody in the heat of an argument, possibly after a few drinks and perhaps a little obsessed, makes such a reprehensible a statement as the advocacy of genocide. Nobody is going to take such a statement seriously. As far as I can see, such instances would occur so rarely that they would hardly be worthy of any consideration from the point of view of the criminal law.

I admit such contentions, if they are put forward publicly, should be offences. I say that because the essence of the criminal law is to prevent harm and maintain social order. If statements of this nature are made in public, it is obvious the person intends that the public react to them and that he intends to promote what he has said. I cannot see how it can be so terribly reprehensible if such statements are made in a heated debate during a private conversation.

Certain members of the committee criticized the suggestions I am putting forward. It was said in committee that the concept of genocide is so reprehensible in any context whatever that it has absolutely no redeeming social value and it should not be permitted to be advocated by anyone under any circumstances. I agree with the point of view that it has absolutely no redeeming social value. There is no one in this chamber who would disagree with that point of view, but is that the criterion by which we are to establish criminal law? Is it because it has no redeeming social value that we should make it an offence? The only time it should be made an offence is when there is a clear and present danger to an ethnic group or any one or more members of the public.

I do not agree with the contention that the criminal law should be used to educate the public. The criminal law should be used to protect the public from harm where there is a clear and present danger that such harm exists or might come about. The basis of this bill is the report of the Special Committee on Hate Propaganda in Canada. Certain eminent members of this House were members of that committee. I do not think that they ever intended that the advocacy of genocide should be made an offence when it occurs in a private conversation. It is stated at page 62 of the report that:

> It would be an emphatic public declaration of our total commitment to the elimination of this most inhuman manifestation of prejudice and a reassurance to any minority groups in our midst that—

These are the important words:

> —promoting such a concept in public discussion is beyond the pale. At the same time it would be one more potent instrument in the education of the people of Canada as to the awful consequences of racism and prejudice.

At page 63 the report reads:

> There is, therefore, no ambiguity and no begging of the question in the stand we take namely, that any form of advocacy or promotion of genocide is outside the bounds of legitimate public discussion.

Even though in the final recommendations of the committee they do not distinguish between private and public conversations, it is my contention that the committee was clearly concerned with the advocacy of genocide in public, and the prevention of the harm that could possibly accrue if such a course were followed among the people of our community.

There is a suggestion that we are bound to our international commitments resulting from the declarations which were made in the United Nations. However, it seems to me that we never went so far in those commitments that we would prohibit a private comment made by an individual who might choose to advocate genocide for some ridiculous purpose which he had in mind. In those commitments and in others found in appendix V of the report, we undertook that we would pass laws against genocide; conspiracy to commit genocide; direct and public incitement to commit genocide; attempt to commit genocide and complicity in genocide. At no point in our international commitments did we undertake to make private conversations of this nature a criminal offence. My question is, how far do we have to go to protect the public? It must be admitted that in this particular situation we are treading upon the dangerous ground of restricting freedom of expression.

• (3:40 p.m.)

I submit there is no need to go as far as this to protect ethnic groups from the type of literature, the type of communication, which is deemed to be offensive under the legislation before us. If there were forces at work in Canada today which advocated, as part of a political philosophy, the death or destruction of any particular minority, my view would be different. But I do not believe anyone can point to the existence of a political movement in Canada today which seeks the destruction of any of our ethnic minorities.

It is true the clause with which we are dealing contains a provision to the effect that no prosecution can be undertaken without the consent of the attorney general of one or other of the provinces. This does not mean, however, that a person making a statement of the kind described is not committing a crime. A statement, though made in private, might constitute a crime; the provision to which I refer merely means that it is open to the attorney general to decide whether or not to prosecute. In constituting a crime which can be committed by persons who might be taking part in a private conversation, we are opening the door to those who might bring accusations that such offences took place; we are opening the door to extortion.

I cannot believe there is a single ethnic group in this country today, as defined in the legislation before us, which feels we ought to go as far as this for its protection. No one can deny that on occasion it is necessary for the criminal law to trespass on our individual right of freedom of speech and communication. The Minister of Justice (Mr. Turner) has made this clear. Few people realize the extent to which our freedom of speech is limited at the present time by the laws of defamatory libel and slander. I suggest that in this clause on genocide we have gone too far. We are not moving to protect the Canadian people. What we are doing here is passing criminal legislation which is politically motivated to get political support from ethnic groups.

Some hon. Members: Hear, hear.

Mr. Hogarth: I do not believe this principle is a sound basis upon which the criminal law should be established. The criminal law should be established to protect the public, not to satisfy demands from any particular group within the public.

In seeking support for my amendment, I think it is only fair to advise hon. members that it was defeated in committee. Nevertheless, I seek their support because I think we have gone too far. There are real fears on the part of the Canadian public that we have gone too far in establishing this overall concept. If we were to make it clear that these provisions will not apply to things done privately, I believe the bill would prove far more palatable to the many critics who have written to us about it.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the hon. member why he has not followed the example of the committee by suggesting an amendment which would exclude statements made in private conversations and in private homes, instead of opening the field so widely by using the word "public"? It is difficult to define what is meant by "public". I take it that a thousand people, for instance, might organize a gathering to which the public in general would not be allowed access, and that this would constitute a private meeting. I ask the hon. member why he has not followed up his plea by proposing an amendment dealing specifically with private conversations in private homes.

Mr. Hogarth: The words "other than in private conversations" were inserted, I think, by the hon. member for Greenwood (Mr. Brewin) in an amendment; there was a great deal of difficulty in committee in determining what would constitute a private conversation. No doubt there would be equal difficulty in determining what would constitute the public advocacy of genocide. The hon. member

for Sault Sainte Marie (Mr. Murphy) tried very ably to define it more accurately. As far as I am concerned, the words "other than in private conversation" have the same effect as the amendment put forward, though I do not particularly like the words "other than in private conversation". I would prefer a judge to have to determine whether a man was seriously advocating genocide or whether he was simply making a private comment.

Mr. Andrew Brewin (Greenwood): I realize, Mr. Speaker, that we are dealing with a specific amendment, but perhaps I might be permitted to make a general comment which applies to a number of amendments as well as to the present one.

I believe that taking into account the amendments made in the committee and, perhaps, some changes which could still be made in this House, we have eliminated any ground for fear that this bill is an unreasonable or improper invasion of freedom of speech. If hon. members will permit me to be a little autobiographical, I would say that concern for freedom of speech was part of my career before I came to this House. Both as an advocate at the bar and as a promoter of organizations concerned with civil liberties, I have always considered it one of my prime duties to seek to defend the right of individuals to freedom of speech. I believe this freedom to be vital to our whole parliamentary system and to our whole democratic structure. It is against this background that I am able to give the House the assurance, as far as I can, that there is nothing in this bill which involves an undue invasion of freedom of speech or a curtailment of the fundamental rights of Canadian citizens.

There has, it is true, been some opposition to this bill but most of it, in my opinion, is based on misunderstanding. There are various sorts of amendments which might be made to the bill. Some might constitute improvements; others could be considered as wrecking amendments. Although the particular amendment before us is not intended to be a wrecking amendment, I nevertheless find it unacceptable and I intend to oppose it, not because I doubt the good faith or the good sense of the hon. member who introduced it, but because I disagree as to its necessity and efficacy.

First, the hon. member seeks to introduce into the genocide clause the concept that an offence, to be actionable, must be committed in public. What is genocide? Genocide is the murder or destruction of a race, and I say its advocacy should be prohibited whether or not it is done by subtle circulation in private circumstances or whether it is done in public. We are speaking here about the advocacy of the murder of people on the basis of their racial extraction. It is no light matter. We are obliged by international treaty to deal with it. What does "publicly" mean? A public place is one to which the public is invited, or to which it has access. If this amendment were carried, one could call people to attend private meetings in private houses, and organize a campaign of genocide there.

• (3:50 p.m.)

I entirely approve of the amendment made by the committee to the subsequent clauses that deal with the propagation of oral statements and excludes private conversation. I think it is entirely proper that we should make it clear that the part of the bill that deals with the dissemination of hatred should not apply merely to casual conversation. But I say, to use a colloquialism, that it is a horse of an entirely different colour to talk about genocide, which is the purposeful destruction of a race.

I would point out to the hon. member that the definition of genocide clearly implies a positive intent; it does not apply to matters merely of a casual nature. I know from having had to consider the question of genocide in a different context that it is probably one of the most difficult things in the world to prove. It implies within its own definition a very clear and definite intent to destroy a race. I suggest it would not apply to any casual conversation or occurrence that took place between individuals. This is not the way one plans the destruction of a race. But it might very well be planned by means of a clandestine conspiracy that would not be public, and therefore would not be covered by the legislation. It is necessary that there be a wilful offence.

My hon. friend suggested that there was some difficulty in this connection in that there was the possibility of frivolous prosecutions being laid. I would remind him that protection against that is afforded, even in respect to the crime of genocide: the approval of the attorney general of the province concerned must be sought. I cannot conceive of a responsible official like an attorney general consenting to lay a frivolous prosecution in connection with a charge of genocide. Surely, such a grave offence would require pretty grave consideration by the attorney general before he authorized prosecution.

May I conclude by once more making a general comment? I think that the fears to which the hon. member referred and which have been aroused among some sections of the public with regard to this bill are totally without foundation. A narrow definition is incorporated in this particular clause, and I suggest that ample defences have been erected. We are dealing with a clear and present danger, one that was found to exist by the commission that studied this matter. We are carrying out our international obligations by dealing with this question. As I have already said, while I do not feel as strongly about this amendment as I do about some others that will be coming before the House, I do suggest that the bill would be a better one without the inclusion of this particular amendment.

Mr. Steven Otto (York East): Mr. Speaker, I have heard a good deal about the dangers or supposed dangers to freedom of speech presented by the clause that provides that everyone who advocates or promotes genocide is guilty of an offence. I have also heard that this provision was instigated by the authorities because of a desire to protect ethnic groups of one sort or another. I do not believe that is true. I believe that the origin of this amendment goes back 25, 30 or 40 years. I think the recent tragic experience in world history has indicated to us that freedom of speech has to be circumscribed now to some extent.

Freedom of speech in this world—not necessarily in this country but in the world—cannot include freedom to promote or to advocate genocide. The world today has been called a global village, and one can well imagine that if freedom included, as it did over 2,000 years ago, the freedom to say that a certain race must be completely eliminated, then the problems of Canadians in Canada and the rest of the world would become insurmountable.

I do not believe the legislation is designed to protect an ethnic minority, or indeed any number of minorities, though mind you, Mr. Speaker, this is more important possibly in Canada than elsewhere in the world. But I do believe that freedom itself has to be redefined. There has been a constant hue and cry that freedom of speech is being lost. The news media would be the first to say that freedom of speech must be protected, certainly as far as they are concerned. We are proposing a bill to grant pardons to people who have criminal records but have served their time and have become good citizens. Yet the news media are going to make their records available in perpetuity, and thus completely undo what we have done.

There has been a constant cry that freedom of speech must be maintained. The fourth estate today is much more powerful than it was. Its members now comment on the news instead of merely reporting it. Freedom of speech, freedom to hold private conservations, is no longer the sacred thing that it was at one time.

In this regard I would even disagree with the hon. member for Greenwood (Mr. Brewin), who said that if the bill provided that private conversations did not contitute a criminal offence the legislation would be suitable. It would not. After all, from where does hatred stem? Does it arise on any occasion when a person, known or unknown, hires a hall or an hour on television or radio and starts to promote genocide? I suggest that the evils we have experienced over the past 30 years have found root in private conversation, in private letters, in private messages, which have developed a consensus that the thing to do was to promote hatred.

Let no one belittle or minimize the importance of protecting private conversation—yes, in a family and, as the hon. member said, in cases where a person might be slightly drunk. Let no one minimize the danger of this kind of conversation, of this kind of promotion of genocide. On such occasions as this the children hear, as do others who are influenced by the conversation, and as a result they begin to mimic and to copy.

I do not think for a moment that we are going to see any number of prosecutions. The chances are that the words "advocates or promotes" will be considered as one. The chances are that the courts will for a long time say that "advocacy" and "promotion" must be combined, and that mere conversation will not give rise to prosecution. There is the further protection that the attorney general must consent to a prosecution.

Nevertheless, if we in this House stamp with the authenticity of a national law the proposition that to advocate or promote genocide, even in private conversation, is evil, and may also subject a person to criminal prosecution, certainly the listener would be protected because he too has some rights. A person reading certain correspondence has the right not to have it sent to his house or to be told that the promotion of genocide is a course that he should adopt. We cannot minimize the importance of telling our children

and younger people that we consider genocide the greatest of evils at the present time, not only in Canada but in the world.

• (4:00 p.m.)

I have one reservation I should like to point out to the minister. The minister knows I have always very much suspected and resented the judicial power that may be given to police officers, because the minister must agree there will be many complaints, as the hon. gentleman said, that genocide has been advocated and promoted. It is also quite reasonable to presume that for the next few years the police will not be too anxious, except when they think it is important, to prosecute. This clause gives new trouble because we are now leaving it up to the police officers to decide which information to present and upon which information to prosecute. The greater the power given to police officers the greater the danger becomes to the average citizen. However, I cannot recommend any amendment that would solve this difficulty.

I would hope that the prosecuting attorneys and also the judges will lay down a precedent in the very near future so that the question we have is given greater identification. Although I fully agree with the hon. gentleman who moved the amendment, nevertheless I repeat that there will be problems at the present time and in the present circumstances in Canada. We cannot go far enough to indicate to all Canadians that the promotion and advocacy of genocide is evil and criminal.

Mr. Hogarth: Mr. Speaker, would the hon. member permit a question?

Mr. Otto: Yes.

Mr. Hogarth: I should like to ask why the hon. member would permit the most vicious advocacy of hatred in a home and yet would commend a provision which would make one comment concerning genocide punishable by five years' imprisonment. It is true this is an extreme situation, but a man could poison the mind of his child in the home and spend endless hours telling him about the ethnic groups he does not like. The hon. member supports this and yet would let one remark in respect of genocide bring about imprisonment for a five-year period.

Mr. Otto: We have not yet come to that clause which I intend to oppose as well. I said I do not agree that the advocacy of genocide is more evil than the advocacy of hatred. I think one stems from the other. Yet when we come to that clause I shall be glad to discuss it.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I wish to state the proposition as briefly as I can. First of all, the government accepts the bill as it has been amended by the committee. The amendments made by the committee are those indicated by special markings in the reprint of the bill that has been circulated today.

I think this particular amendment is narrowly drawn on the issue of genocide, so I shall confine myself to discussing this. However, when the hon. member for Calgary North (Mr. Woolliams) opens up on his amendment in wide terms I think I should like to say something about the implementation of it. I should like to say that the committee did reject the amendment now presented to the House by the hon. member for New Westminster (Mr. Hogarth) and the government supports the position the committee took. Therefore, I would urge the House to reject the hon. member's amendment.

In meeting the hon. member's argument, I think members of the House should refresh their minds on what we are talking about when we are talking about or advocating genocide. The term "genocide" is now limited to two specific acts. That was clarified by the substitution of the word "means" for the word "includes" by the standing committee. Genocide means either of the following two acts, committed with intent to destroy, in whole or in part, any identifiable group; first, killing members of the group and, second, deliberately inflicting on the group conditions of life calculated to bring about its physical destruction. What we are talking about here is the advocacy or promotion of the killing of members of an identifiable group, a group which may be distinguished by colour, race, religion or ethnic origin, or the promotion or advocacy of deliberately inflicting on that identifiable group conditions of life calculated to bring about its physical destruction.

We are not talking simply about the advocacy of homicide but the advocacy of group homicide. We are talking about the deliberate extinction of a group of people which can be identified by their colour or their race or their religion or their ethnic origin. The government accepts the position taken by the special committee commissioned by the former Minister of Justice, the late Guy Favreau. This committee was under the chairmanship of Dean Maxwell Cohen, then

dean of law at McGill University. We believe we are talking about so heinous a crime that its advocacy or promotion should not be condoned either in public or private. I agree with the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) that it is very difficult, in the terms in which the hon. member has drawn his amendment, to define just where he would draw the line.

Let me read from page 62 of the report of the special committee presented under the chairmanship of Dean Cohen. He is talking about advocating genocide. This is under Section 267A. The special committee reports as follows:

> But because existing Canadian law already forbids most substantive aspects of genocide in that it prohibits homicide or murder vis-à-vis individuals, and because it may be undesirable to have the same acts forbidden under two different legal categories, we deem it advisable that the Canadian legislation which we urge as a symbol of our country's dedication to the rights set out in the Convention—

That has reference to the United Nations.

> —should be confined to "advocating and promoting" genocide, acts which clearly are not forbidden at present by the Criminal Code.
>
> Canadian law generally has not gone to the length of prohibiting mere intellectual advocacy of a forbidden act, but has contented itself with proscribing conduct which incites to illegal action in a present, immediate way. However, we are convinced that, in the one case of the urging of physical violence against identifiable groups, to the point of genocide, there is no social interest whatever in allowing advocacy or promotion of violence even at the highest level of abstract discussion. It is odious and unacceptable at any level.

The hon. member argues that without the adoption of the word "public" some private casual conversations might be brought within the web of this legislation in this particular clause. I wish to argue against that as well. Here we are talking about the words "advocates" or "promotes". As the hon. member for Greenwood (Mr. Brewin) said to the House a few minutes ago those words do not apply to accidental, haphazard, occasional unthought, nondeliberate statements. The words "advocates" or "promotes" will be given by a court and jury their ordinary connotation. The shorter Oxford English dictionary, the 1967 edition, defines "advocate" as "to argue in favour of; to recommend publicly", and "promote" as "further the growth, development, progress or establishment of; to further, advance, encourage; to support actively the passing of (a law or measure)". These words imply a course of conduct and they imply some deliberate intent.

[Mr. Turner (Ottawa-Carleton).]

• (4:10 p.m.)

Whether that advocacy or promotion is done within the confines of a home or whether it is done in public, it is quite clear by the use of those words that we are talking about the deliberate advocacy or promotion of a type of conduct within the meaning of genocide that is surely abhorrent to the world. Moreover, the hon. member for Greenwood has already mentioned, and indeed the hon. member for New Westminster was fair enough in his own presentation to suggest, that there was and there is an additional defence or precaution in this section militating against a frivolous proceeding undertaken on behalf of one private citizen against another, or a vexatious or mischievous proceeding, because it is clear, and the words of the section bear it out, that under this section no proceeding for an offence shall be instituted without the consent of the attorney general. Within the meaning of the Criminal Code, this is the attorney general of a province.

In summary, we believe that the type of conduct contemplated here against which a criminal sanction is to be imposed is so heinous and so abhorrent to civilized men and women in Canada that the sanction ought to apply no matter where the crime is advocated or promoted; secondly, the terms "advocate" and "promote" are such that they would cover only deliberate, preconceived conduct toward the elimination of a race or of a people of certain colour religion or ethnic origin. Finally, the risk of mischievous, vexatious or frivolous proceeding has been sidestepped hopefully by the requirement of a fiat of an attorney general. For these reasons, I urge the House at this report stage to confirm the committee's decision to reject this amendment.

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, I would like to deal briefly with the amendment proposed by the hon. member for New Westminster (Mr. Hogarth). I want to say, first of all, that I consider this amendment to be a most admirable one to present. I do not think there are any members in this House who would disagree with the general provisions and objectives of such an important bill, but I think it very important when we draft a bill of this kind that we be specially careful not to restrict the freedom of all individuals. In looking at the provisions of this bill I think that they come very close to thought control because we are saying to a man that in the privacy of his own home he cannot advocate a reprehensible thought to

other members of his family. We may think that these thoughts are reprehensible, as indeed we do in this particular instance, but I question whether Parliament has the right to say to a man that in the privacy of his home he cannot have an evil thought or communicate it to the members of his family.

I think that this bill goes to dangerous lengths when it attempts to regulate in such a minute way what a man may say to members of his own family, and that is what this bill does. The minister suggested the phrase "may argue in favour of" as a dictionary definition. In other words, a man would be guilty if he "argued in favour of". To argue in favour of a reprehensible act is a pretty minor offence for which to be called upon to answer in the courts. I believe that the hon. member for New Westminster proposed a valuable amendment. I think we would be doing a disservice to the people of Canada if we legislate in such a minute way that we negate the sense of freedom which this Parliament seeks to protect.

I do want to say, therefore, that I support the amendment of the hon. member for New Westminster and I will vote for it, even though I am strongly in favour of the general provisions of the bill.

Mr. Robert McCleave (Halifax-East Hants): I think that the hon. member for New Westminster (Mr. Hogarth) has pointed out the horns of a dilemma upon which we find ourselves in dealing with the genocide section of this measure. It is one thing to reach into a person's home life and to say that that person should be punished for teaching his own children that identifiable groups should be the subject of genocide. That may seem as abhorrent as the thought that there would be people who would nurture such thoughts among their young in their own homes. But it is another thing, and this is the other side of the dilemma, that only the small part of the iceberg shows when genocide is actually carried out.

I suggest that if one reflected upon the state of affairs in the 1930s in Nazi Germany and if one wished to punish the perpetrators of those crimes against mankind under Bill C-3, one would find it difficult going because one would find that there were those who publicly stoked the gas ovens but there were also numbers of people hidden behind the grey walls of bureaucracy. These people never made a public statement that certain people should be sent to the gas ovens, and yet their actions were fatal to the people concerned. Those who carried out the acts were simply the executioners. That is why I say we are faced with a dilemma here. For example, if genocide should ever be carried out against a group in Canada—if somebody were to fall on an identifiable group of people before police action could intervene—I suggest you would find that the executioners who carried this out would clearly fall within the provisions of Bill C-3. However, I suggest also you would find that the boys in the backroom were the ideological spear carriers but not the actual carriers of spears. I suggest that these people would be equally guilty, perhaps even more guilty than those who actually carried out the crime itself.

As I said, I think we are on the horns of a dilemma and the hon. member who presented the amendment has usefully pointed this out to us. I would answer him by saying that his amendment, which adds the word "publicly" does not, however, say "advocacy by public action", and to me that is a very important distinction. I cannot get myself off the horns of the dilemma by accepting his amendment, and therefore I have to follow the reasoned argument of the Minister of Justice (Mr. Turner)—and I think it is a reasoned one in this case—that the safeguard offered by the attorney general of a province at least is some kind of safeguard. Therefore, in conscience, I am compelled to vote against the amendment proferred.

• (4:20 p.m.)

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, I rise to take issue with the amendment proposed by my colleague from New Westminster. I would like to say at the outset that I think his statement that this legislation is before the House as the result of the political pressure of a particular group in our society does less than justice to the many members of this House who have presented bills on this subject, to the government which has put forward this bill, and to the members of the justice committee who have supported it.

I believe that this bill is before the House of Commons because of social need. Unfortunately, even in our country, we have a certain amount of hate literature in its most virulent form. It is also before this House because in the 20th century there has been a sad history of mass murder, to which I hardly need call the attention of this House.

I believe that my colleague from New Westminster is wrong in his philosophy, in his analysis of the report of the Cohen Commit-

tee, and also in his projection of the application of this law. First as to his philosophy, the hon. member believes that in all cases we should apply the clear and present danger test which was developed in the United States by the great judge, Mr. Justice Holmes. That test, Mr. Speaker, is intended to apply to situations in which there is redeeming social value in the conduct which is in question.

I would submit to members of this House, and in particular to my colleague from New Westminster, that there are certain things which are not within the pale of argument one way or the other. At one end of the spectrum we have the internal freedom of conscience which everyone has. This surely is not subject to any kind of government direction. At the other end we have the belief in, the advocacy, and the promotion of mass murder. That is something at the other extreme in which there is no social value. It is not something about which we can say, "Yes, if we do not have discussion on this, all kinds of undesirable social consequences will follow."

The Cohen Committee agreed, and rightly so, that there is a social interest in allowing discussion of revolution, discussion of overthrowing the government, discussion of all kinds of political questions. But when it comes to a question of solving the political problems of this day by the use of mass murder, by eliminating your opponents, this is surely something in which there is no true interest on the part of society; and if there is no interest on the part of society, then there is no reason that it should be tolerated in a free society.

My colleague from Okanagan Boundary has said that the circumstances in which a person might be convicted could be mild. He used the word mild several times. I suggest he could take that view only if he were concentrating on the words of the formula, and not on the terrible examples of mass murder committed in this century and which could be promoted and advocated here in this country.

Now, with respect to the analysis of the Cohen Report presented by my colleague from New Westminster I can say, I believe without breaking the confidences of the committee, that I wrote the words which were subsequently adopted by the committee and which he has quoted to the House. I would suggest to him that, as the Minister of Justice (Mr. Turner) has pointed out, he ought to go farther.

[Mr. MacGuigan.]

After the quotations from the report which we have had presented by the hon. member, these sentences occur in the report:

> In our opinion there is no need for any exempting clause in the application of legislation against advocacy of genocide, because there is no social interest in protecting any variety of such advocacy. The prohibition should be absolute because the act is wrong absolutely, i.e., in all circumstances, degrees, times, and ways.

This is the last statement which the committee makes on this subject in its analysis of the situation and its proposals for new legislation. It is true that earlier the word 'public' was used as a part of the rhetoric of the report, because that, of course, is obviously where the most serious danger lies, but the fact is the committee concluded by arguing for the prohibition of the advocacy of genocide "in all circumstances, degrees, times, and ways."

Finally, Mr. Speaker, I believe that my colleague is wrong in his suggestion as to the possible application which this section might have. He has what I might call the "passing moment" conception of the application of this section. He says that a man may be sitting in his living room with his children gathered around him. He may be in his cups and toss off some of these phrases. I say that this is not the kind of situation in which a conviction could occur.

The Minister of Justice has already pointed out that the words here are "advocate or promote." There is no possibility of a man being convicted, be he in his cups or out of his cups, unless he expresses these views in such a way, and believes in them in such a way, that he could be said to be advocating or promoting this most horrible deed. And if he is doing this why should he be exempted? Why should there be any exemption? There is no social interest in it.

What is the interest which the hon. member has suggested? The interest in protection from extortion. This, I believe, is the sole danger which can lie in such legislation, and this is a general problem with the criminal law. I am sure my colleague would argue that it is more dangerous in a situation such as this, but I would suggest to him that this is surely the kind of case in which not only would a prosecutor and a court be careful, but it is also one of the few cases in the law where prosecution is subject to the express approval of the Attorney General.

Obviously, there are safeguards in this legislation. We have, of course, the normal safeguards we generally trust in our society,

that we will not have people who are pressured into certain actions in our society as a result of the fear that they will be pilloried before public opinion. If they have really done these things, there is no reason that they should be protected. If they have not, there is no possibility that they will be subjected to public contumely.

In conclusion, I would say that if we adopt the amendment which is proposed by my colleague from New Westminster, which I believe one of the hon. members opposite has shown is not even as well worded as the amendment which was adopted to a later section, "other than in a private conversation," —that amendment which the committee found it possible to support—we would destroy in very large part the moral effect of this legislation.

Criminal law does deal with morals. It deals with morals when they are public morals, not private morals. And things which occur in private are not always private. They are not private if they involve the advocacy of killing people, and I suggest, Mr. Speaker, that there is nothing on which the people of Canada wish this Parliament to express itself more clearly than their abhorrence of any suggestion that social problems should be resolved by resort to mass murder.

Mr. Hogarth: Would the hon. member permit a question?

Mr. MacGuigan: Certainly.

Mr. Hogarth: If the clear and present danger is not the basis on which criminal law should be formulated, why is it we have not got a law that prohibits the advocacy or promotion of the mass death of mentally retarded since that policy has absolutely no social redeeming feature?

Mr. MacGuigan: I am not sure if I understand my hon. friend's question. I presume this legislation and other legislation of this kind would prohibit murder, would prohibit the annihilation of those people who are mentally retarded, or any others. Perhaps my hon. friend could explain more fully what he has in mind.

Mr. Hogarth: I point out that here we have made it an offence to advocate or promote genocide, and the genocide is directed to an identifiable group which has to be a section of the public distinguished by colour, race, religion or ethnic origin. But we have no laws against advocating or promoting the mass murder of people who might be mentally retarded, and my point is that if the clear and present danger is not the criteria, if it is the lack of social value that forms the basis of our laws, why have we not moved in these many other fields in which the concept has no social value?

• (4:30 p.m.)

Some hon. Members: Hear, hear.

Mr. MacGuigan: My friend is focussing, I believe, Mr. Speaker, on the definition of "identifiable group". Not all forms of mass murder are prohibited by this legislation but only forms which deal with fundamental groups, groups which I might refer to as natural groups. This is where the great problem has been found to lie in the twentieth century. We have not found any serious social problem in most of our countries with people advocating the annihilation of the mentally retarded or mentally insane. If we do, we may require legislation to deal specifically with those instances. We have had a great deal of history in the twentieth century illustrating attempts to annihilate groups which are of the kind here defined.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I was was rather pleased to find the hon. member for Windsor-Walkerville (Mr. MacGuigan) admitting in his answer that the clear and present danger was in fact the motivation for something like this, and a proper criteria. I think it is natural that anybody who belongs to the Liberal party will have a great deal of difficulty with legislation like this. No single item I can conceive of could present as compelling an end to justify the means as a move to reduce even the thought that genocide might be an acceptable sort of subject for conversation. It is as abhorrent as any single item that one could put one's mind to. Yet what is the means proposed to control this situation?

It seems to me that conversation in the living room or kitchen is more an extension of the thought processes than an extension of public debate.

Mr. Baldwin: What about the bedrooms?

Mr. Mahoney: That is a cute phrase and I was coming to it. It seems to me when the law moves into the kitchens and sitting rooms of the nation and it is made an offense to advocate or promote within the family group a thing that is repulsive and abhorrent, you are getting to a point where you have to ask

if we are attempting to control the thought processes. Is the advocacy of the subject matter of this private conversation something that we, as a society, should make an offence. As Liberals, we are concerned with the extension of liberty and I find great trouble with this. I wish I did not. I find more trouble now that the member for York East (Mr. Otto) has spoken. There are people who seriously believe that this is a proper thing to do, to move into the sitting rooms and kitchens of the nation. This is a rather peculiar move for a government which has taken the state out of the bedrooms, that it would now put the state into the den and family room.

I must say that I am going to support this motion. I did not, until I listened very carefully to this debate, have quite as much trouble with this particular section of the bill as I had with the next one but having listened to the debate I am persuaded to support the amendment.

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

Some hon. Members: Question.

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

Some hon. Members: Carried.

Some hon. Members: No.

Mr. Deputy Speaker: I hear some nays and some yeas. All those in favour please say yea.

Some hon. Members: Yea.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it. I declare the motion negatived.

Motion (Mr. Hogarth) negatived.

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

That Bill C-3, an act to amend the Criminal Code be amended by striking out

lines 26-28, both inclusive, page 1 thereof
lines 1-46, both inclusive, page 2 thereof
lines 1-44, both inclusive, page 3 thereof
lines 1-46, both inclusive, page 4 thereof
lines 1-9, both inclusive, page 5 thereof

and by adding thereto, next after line 25 on page 1 thereof, the following:

(5) Where a person is convicted of an offence under this section, anything by means of or in relation to which the offence was committed, upon such conviction, may, in addition to any other punishment imposed, be ordered by the presiding magistrate or judge to be forfeited to Her Majesty in right of the province in which that person is convicted, for disposal as the Attorney General may direct.

[Mr. Mahoney.]

He said: Mr. Speaker, first of all I should like to thank you with regard to the slight changes in the page numbers to conform to the amended bill. As I said earlier on a point of order, we did not have the new bill before us. This amendment is fairly extensive and deals with that part of the bill concerning advocacy, so I hope I might be allowed to take a little extra time on it. In that case, I would not take any time on third reading because my argument would only be repetitious. I might as well present it now because it is this part of the bill which I wish to attack.

The motion I am presenting to the House today proposes to amend by striking out all the clauses in Bill C-3, but the sections dealing with genocide. I want to pause there for a few moments. I did not speak on that matter when the amendment was moved by the hon. member for New Westminster (Mr. Hogarth) because on the second reading of this bill our party took the position that we were in agreement with the principle of the Bill in this regard. Our position was well set out at that time by the hon. member for Halifax East Hants (Mr. McCleave). No other member of our party spoke to the amendment just recently presented by the hon. member for New Westminster. In our amendment today we are asking that everything be struck out except those sections dealing with genocide.

First of all, I must say that I have contempt for the vile propaganda which this bill is attempting to suppress. In brief, there is no one in this House of Commons, whatever their position, when the final vote is called, who cannot but feel within their heart a complete sympathy for the bill as far as the principle is concerned. But sometimes one has to go beyond the heart and take a look at these matters from a logical and legal point of view. This is what I hope to do today in setting out my argument on my amendment.

• (4:40 p.m.)

A bill such as is proposed is not a wise or effective way of dealing with the evil involved. The supporters of this bill justified the limitation on freedom of speech and privacy by stating that on balance of public convenience and inconvenience it is warranted to prevent the defamation of groups. I will say something in a few moments about those clauses which deal with statements being made against any identifiable group which may lead to a breach of the peace. I submit that most of these matters have been well protected under the traditions of our system

of democracy and have been included in the Criminal Code of Canada since its inception. The laws are not written for selected individuals. The laws are proper because they apply to all individuals in Canada without regard to colour, race, religion or ethnic origin.

But the present bill, which is defended as providing for groups protection hitherto granted to individuals, introduces new standards. This bill proposes to apply to all groups equally. In fact, it would not apply to most groups within the community. It would not for example, and this is what I think the hon. member for New Westminster (Mr. Hogarth) was dealing with when he talked about identifiable groups or classes, apply to groups within which hatred and contempt are most acutely felt, where individuals are most systematically maligned, threatened and slandered. This bill would provide no protection for the victims of hatred and contempt if they belonged to the wrong groups.

The hon. member for New Westminster, in dealing with a group or class, dealt with the unfortunate situation of those who are categorized as retarded children. An identifiable group is defined in the bill. It deals with the group and not with any one class. The law does not threaten two years in jail for those whose "communicated statements" incite hatred or contempt of our police officers, military leaders, separatists or political opponents, civil servants or Members of Parliament. I shall go into detail about this in a few moments. A Canadian would still be able to make a profession of inciting hatred and contempt against any group he dislikes, except identifiable groups, and therein lies one of the weaknesses of the bill.

If the bill is to be proper at all then "identifiable" is the wrong word to use. Every group is identifiable. It might be a group of farmers who march to the legislature in Edmonton with their chickens and let them loose, and so on. But they are not an identifiable group under the bill. However, they are a class of people or a group of some kind. Obviously, the word meant is, "designated". Certain groups will be designated and these groups will be protected from hatred and contempt. If this bill passes it will be possible to incite hatred against groups A, B and C but henceforth illegal to incite hatred against groups D, E and F. This is indeed a new principle in criminal law, a principle quite different from that of providing protection for individuals.

Clearly, the bill is not concerned with hate and contempt as evils in themselves, as bills are concerned with assault or theft as evils in themselves. If hatred and contempt were the evils to be prevented, why make it illegal to promote hatred of race but not illegal to promote hatred of class? Why is hatred of an ethnic group illegal but not of a national or social or cultural or labour or linguistic group? The defence that this bill would extend to groups the same protection hitherto given to individuals will not withstand examination. Protection is given to individuals equally, but protection is proposed to groups selectively. The law should be the same for every citizen from coast to coast in Canada.

Without drawing any dogmatic line, it would seem to me that whatever protection an individual citizen needs that can be given in law he should have by right as an individual equally with other individuals. Anyone looking at the Criminal Code as it is now worded will see that it provides for freedom of speech, freedom of thought, freedom of assembly and, above all, for freedom of the press and freedom of the medias of communication. That will be the strong point I shall stress in a few moments when I argue about our right to speak here and our right to have our speeches reported in the press, through the radio or television, or through any other media that may arise in the future. It seems to me that this bill works on the principle on which we used to bar Indians from beer parlours. We said they were especially vulnerable and needed special protection.

May I refer to the Bill of Rights and what the Supreme Court of Canada said about it. Clearly, the Bill of Rights in itself gives us all the protection we need. I think we all agree, including the Minister of Justice (Mr. Turner), that the words used by that great Canadian, the right hon. member for Prince Albert (Mr. Diefenbaker), in this House on July 1, 1960, were great words. I was in the House, as were several other senior hon. members and heard him say these words, found on page 5649 of *Hansard* for that date. He said:

> I am a Canadian, a free Canadian, free to speak without fear, free to worship God in my own way, free to stand for what I think right, free to oppose what I believe wrong, free to choose those who shall govern my country. This heritage of freedom I pledge to uphold for myself and all mankind.

Those are great words spoken by a great prime minister and a great Canadian, and the Supreme Court of Canada has upheld the Bill

of Rights which touches on the inalienable civil rights of individuals. What are some of those rights? One is the right of an individual to life. Does that not deal with genocide? Others are the right to liberty, security of person, the enjoyment of property, the right not to be deprived thereof except by due process of law, the right of an individual to equality before the law and to the protection of the law; the right to freedom of religion, and so on. Those rights were enumerated in that great speech made on July 1, 1960. The right hon. member for Prince Albert said that Canada was the first Commonwealth country to grant freedom of worship in law.

We have not experienced the troubles they have experienced in Britain and other places in the Commonwealth. We were the first to legislate freedom of religion. We have also freedom of assembly and association, and freedom of the press, which can be interpreted to mean freedom of communication of all kinds, be it through radio, television or any means that may arise in future. So, before saying what the Supreme Court of Canada said, I just wish to show hon. members that the Criminal Code and the Bill of Rights today protect Canadians against any difficulties which might arise as described in this piece of window dressing.

The hon. member for New Westminster and his father are both great lawyers of tremendously high calibre. Both have served as Crown prosecutors in our country and served our nation well in this regard. This afternoon the hon. member touched the pulse of this debate when he said that this measure is a political move. The bill is introduced to win votes. The Bill of Rights and the Criminal Code protect us adequately. May I deal with this at some length, Mr. Speaker, as this will save my having to speak on third reading.

The Criminal Code and the Bill of Rights, as interpreted by our courts, give us all the protection we need. Do you think for one moment that if this bill were not introduced, if this piece of window dressing were not brought in, any Canadian tonight would be in fear of genocide? I shall deal with the question of ridicule in a few moments. If we were not permitted some ridicule and were not permitted to create some disturbances, this would be a sorry country indeed. Democracy would be pretty dead. Little reflection is needed to understand how widely varied may be the kinds of communicated statements which do in fact incite hatred or contempt.

[Mr. Woolliams.]

• (4:50 p.m.)

We have only to look at the famous Russell case and the book which the hon. member for Vancouver-Kingsway (Mrs. MacInnis) wrote about her father, Mr. Woodsworth. Every Member of Parliament and every Canadian should read that book. When the soldiers returned from the war to end all wars, World War I, unemployment was rampant in this country. There were poverty, ghettos and unemployment, maybe even worse than we have today. Men like Mr. Woodsworth and other great labour leaders brought men together. What happened to them? They were charged under the Criminal Code. If we compare the Code of those days with the Code of today, we see that they could not have been convicted since they wanted to ridicule and treat with contempt the society in which they were living because they could not get jobs and dared to unite in unions. Whether we agree with the philosophy of Mr. Woodsworth or not, he was a great Canadian who should be remembered.

The daughter of Mr. Woodsworth has written a book on the great drama of the life of her father. This book shows there is a time when we must incite and when there must be protests beyond the stagnation of the legislature and even Parliament. Possibly the fellow who heckled me this afternoon was right. I must apologize. I thought it came from the rump of the chamber. When I said there was nothing wrong with Parliament, he had a right to say what he did. He may have been ridiculing the institution, but when this or any other parliamentary institution does not function and serve society, one of two things will happen. Either we slide into a dictatorship or else the protests take place outside the chamber.

Thank God there have been men who have incited, showed contempt and ridiculed. Whether it is through a union or otherwise, the average Canadian can negotiate proper hours and wages and in this way we got the children out of the mines and factories. That is why I oppose certain sections of the bill, and moved my amendment. I do not want to put a lid on free speech.

I am going to refer to what Professor Mewett and Professor Scott had to say. I do not know what Professor Mewett's politics are, but I have a pretty good idea of Professor Scott's.

An hon. Member: He is intelligent.

Mr. Woolliams: I agree that he is highly intelligent. Little reflection is needed to understand how widely varied may be the kinds of communicated statements which do in fact incite hatred or contempt. The paradox is that not only is it bad speeches, speeches intentionally so designed to incite hatred or contempt. The most necessary word that has to be said in society at the most critical time may incite the most fanatical hatred. The speeches of John F. Kennedy and Robert F. Kennedy incited hatred. And these men were both shot. The speeches of Martin Luther King indisputably incited hatred and contempt of himself and others, among those who feared, in their own contemptible phrases which I do not want to repeat.

The late President of the United States, John F. Kennedy and the late Attorney General of the United States, Robert Kennedy, made certain statements. A few moments before he was assassinated Robert Kennedy said in a speech that if he were the President of the United States, help would go to Israel. That incited contempt and ridicule in an Arab who had some problems, a hang-up as the young people say, from the environment from which he came. Because of that, Robert Kennedy lost his life.

I want to emphasize that great leaders of the world who brought about reforms and progress had to incite somebody. They had to knock over the establishment. I will come to what Professor Mewett had to say. In my opinion, this bill will not help minorities. If implemented and ever used, which I question, it would work against minorities, not for them.

Section 267B adds the qualification "where such incitement is likely to lead to a breach of the peace". Consider what this might mean in practice. If someone is advancing an unpopular cause, which some other person thinks will expose him to hatred or contempt, then if the over-agitated person gathers together a gang of his buddies and threatens to beat the speaker to a pulp, the law will move in to arrest, not the mob which is threatening the peace, but the prospective victim.

This tactic, cleverly exploited, could obliquely recruit the courts of the land as reserve allies of a fanatical group. Freedom of speech is, of course, not without limit. But it is meaningless if it is freedom for unpopular or even contemptible opinion. To admit that certain groups in society are "bad guys" and that they may therefore be silenced by assault or by threat, is to open the way for other groups to nominate other "bad guys" who may be silenced by assault or by threats, which as I said in committee, is exactly what the Nazis did.

Thirty years ago in Quebec, a certain premier passed the notorious padlock law. In Quebec at the time no questioner could get any rational consideration of the true nature of the bill for fear of seeming to be soft on communism. The sections of this bill on hate propaganda, though not a padlock law, seems to me to be dangerously vague and susceptible to abuse. We are not faced with a clear and present danger that warrants such sections on hatred and contempt.

I say we are protected under the Code and by the Bill of Rights. What crisis exists in Canada today that makes it necessary to control freedom of speech within the limits of reasonable men? Reasonable men are tempered by the society and the culture of Canada. I trust Canadians; they are reasonable.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—Post Office—Montreal postal dispute; the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—consumer affairs—action respecting non-returnable bottles; the hon. member for Halifax-East Hants (Mr. McCleave)—Criminal Code—proclamation of remainder of amendments respecting breathalyzer.

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

PRIVATE MEMBERS' NOTICES OF MOTIONS

SOCIAL SECURITY

SUGGESTION FOR ESTABLISHMENT OF GUARANTEED ANNUAL INCOME

Mr. J. Edward Broadbent (Oshawa-Whitby) moved:

That, in the opinion of this House, the government should give consideration to the advisability

of ensuring by law a guaranteed annual income as a means of ensuring that all Canadians will have an income sufficient to provide for a life of dignity.

• (5:00 p.m.)

He said: Mr. Speaker, since the election of 1968, in my judgment there have been only two meaningful and desirable pieces of legislation which we have passed. These are the languages bill on the one hand and the omnibus bill, offering a series of good, constructive amendments to the Criminal Code, on the other. Both these measures were inherited from the last Parliament; they were not generated by the present government, nor by members who presently sit in opposition. My conclusion is that nothing of significance has been done except for the passing of these bills which came from a previous government. Recently we saw the government increase the pensions to which Members of Parliament are entitled. We have watched the government trying to deal with inflation by putting thousands of Canadians out of jobs as a deliberate instrument of economic policy. Continuing consideration has been given to a white paper on taxation which has been masquerading as a document of significant reform, although it contains within it a proposal to continue taxing the poor in Canada. All this suggests to me something which must be regarded as the prevailing characteristic of the Trudeau government, namely, a small "c" conservatism which has done nothing to improve the social, economic, and, by extension, the spiritual well being of Canadians. This hour affords an opportunity for ordinary Members of Parliament in all parties to show that they are concerned about the well being of their fellow countrymen. They have an opportunity to vote for this resolution; they need not talk it out. I hope they will act upon it.

First, I should like to say something about the need for some form of guaranteed annual income or, as I call it, a guaranteed minimal annual income. To my mind, this represents the single most effective and efficient means of attacking, simultaneously, both material and spiritual poverty in this country. Of course, it is by no means the only action which could be taken to achieve progress in this direction, but by one stroke of legislation we could make an important advance. The object of this proposal is not simply to alleviate poverty in our land, but to eradicate it.

According to the Economic Council of Canada, the Canadian Welfare Council and other similar bodies in this country, there are between four and five million people living in a state of poverty in this rich country of ours. How does the Economic Council define poverty? It proposes that a family be regarded as poor if it spends 70 per cent or more of its income on food, clothing and shelter. I believe most hon. members will agree that this is a reasonable definition; any family which has to devote 70 per cent or more of its income to the provision of food, clothing and shelter has little left with which to do, or acquire, those other things which hon. members of this House, for example, would regard as being the normal expectation of people living a civilized existence. Virtually no money is left for recreation in any of its forms. There is no separation, as many like to suggest, between material conditions and spiritual life. There is an inextricable connection between the two. They are bound together. In seeking to overcome material poverty we will be laying the foundation for a fuller spiritual life.

Who are the poor? They include the 50,000 or more who receive old age assistance benefits. They include more than 700,000 elderly persons who receive a guaranteed income supplement. They include the young men and women who have recently left school and who cannot find jobs—incidentally, these represent the fastest growing section of the unemployed. You will find the poor among our Indian, Eskimo and Metis population whose life expectancy is just over half what it is for the rest of us in Canada—surely, a national disgrace. You will find them among the women receiving mothers' allowances—over 165,000 of them—and you will find them among that grotesquely overlooked groups of people, the blind and the disabled who receive special allowances. Thousands fall into this category. Most of these people receive welfare assistance in some form, inadequate though it may be. To some degree, therefore, they are present in the consciousness of Canadians throughout the country.

However, in addition to helping people such as these, a guaranteed minimum income would benefit the group of people who are consistently overlooked not only by those responsible for legislative programs but also by the average citizen. I refer to the working men and women of all ages who are unable to earn sufficient in their jobs to escape from a state of poverty. Most of them are non-unionized workers. Let us not forget that less than a majority of the working people of Canada belong to unions, the worst record of any industrialized country in the world. The group I have in mind consists, too, of workers,

whether unionized or not, who live in the economically poor areas of Canada. A guaranteed income program would do something effective to improve conditions affecting this important category of Canadians. It is important to note that in 76 per cent of the poor families at least one member of the family is working. In other words, 76 per cent of all those families officially designated as living in poverty include one or more members who go out to work. These are the working poor.

I wish to deal briefly, now, with two myths. The first one, I call the abusive myth. This is a view held by many people in this country, unfortunately, and it goes as follows: That people on welfare really tend to abuse the system; that they live high on the hog; that they use their welfare payment for a downpayment on a new car. All kinds of bizarre and, in my judgment, cruel stories go around to this effect.

• (5:10 p.m.)

What is the evidence? The evidence, recently confirmed in an article published in "Canadian Welfare" by Professor Stephen Peitchinis of the University of Calgary, is that 95 per cent of the people on welfare who were studied were found to be legitimate welfare cases. They were people who were living in an unfortunate state and had no meaningful alternative. Less than 5 per cent could be seen to be in any way cheating or abusing the system. This recent study merely confirms the whole history of studies done in this country and elsewhere and which reached the same conclusion. In short, the vast majority of people on welfare in our country, as well as elsewhere, have no alternative and would damn well like to be working.

The second myth is that somehow we need to keep people at a relatively low level of income in order to get them to do any work at all. This I call the incentive myth. It is said that unless you really do have a number of people suffering a little—not to a substantial degree, but suffering a little—these people will sit back and do nothing. Once again the evidence is completely to the contrary. I would refer to anybody who wants to rely on evidence as opposed to irrational prejudice a current study that is now being done specifically on the question of a guaranteed annual income in the state of New Jersey. The evidence provided so far—though the study is by no means complete—conclusively suggests that people do not require financial incentive to work. It confirms that there is something in human beings that the so-called romantics have referred to as integrity, as the desire to make one's fair contribution to the productive labour of mankind.

I will leave these myths at this point. I have mentioned them because I suspect that they may be brought up in this debate or elsewhere in the country. I leave them, I hope, with the clear suggestion, one based on evidence, that they are myths and should not be taken seriously.

I should now like to get into the specific form of guaranteed minimum income that I have in mind. There have, of course, been many proposals, a wide variety, coming from all sides of the political spectrum. My own preference is for a 100 per cent federal program which would be related to the level of taxable income and the annual estimate of poverty level incomes that is made by the Economic Council of Canada. The explicit objective of the guaranteed minimum income program would be to ensure that no family or independent single person in this country has an income which is at or below the poverty level.

The program would be implemented in the following manner. First, any man or woman could apply for the guaranteed minimum income at the beginning of each year. This would be done simply by filling in a form giving an estimate of the individual's or family's income for the coming year. Second, if the estimated income of the person or family falls below the current estimate made by the Economic Council of Canada of the existing poverty levels, then the applicant would be eligible for a monthly federal government payment which would enable the person or family to escape from the poverty level income category. Third, if during the course of the year the income position of the person or family improved, they would be expected to inform the government so that the rate of payment could either be altered or abolished completely. Fourth, at the end of each year when the recipient fills in an income tax form, which would be obligatory for all recipients, if he had received payments in excess of the requirements he would be obliged to repay to the federal government the excess amount in monthly instalments. Fifth, abuses of the guaranteed minimum income program would be checked in precisely the same way as are income tax evasions at present.

With regard to cost, our research people have estimated that, assuming the abolition of

family allowances and the Canada Assistance Plan, the cost would be somewhere in the neighbourhood of $1 billion, a sum which I suggest is the minimum amount our society can provide at this time for this worthy cause.

What, then, are the merits of the plan, apart from the social and economic ones of a general nature to which I have just alluded? First, a guaranteed minimum income would be established in Canada as a right of citizenship. There would be no suggestion at all of public charity. Millions of Canadians would be able, with the program in effect, to live a life that is not associated with the spiritual impoverishment which, as I said earlier, arises from material deprivation, especially in our kind of competitive economy. Millions, for the first time, would be free of the concerns which come with poverty.

Second, there would be no likelihood, or very little, of people deliberately choosing not to work. The level of payments and man's normal desire—something I stress—to share in the social commitments of society would mean that virtually all of our people would continue to do their share of productive labour, provided that sources of labour were available. I will return to this point in a minute.

Third, there would be little paper work involved in this plan. Almost all the work would consist of simply filling in a single form which would be processed in Ottawa by relatively few civil servants aided by computers. The plan's effect on bureaucracy, in short, would be almost nil.

In conclusion, I should like to stress that the guaranteed minimum income is not in any way a panacea for the ills of our society. It should be seen as but one instrument needed to overcome poverty, as one important ingredient of any advanced, civilized, industrial nation. What we also require in this country are the following. First, a related set of social and educational programs, the aim of which is to develop the co-operative and creative potential that lies within man. Second, other public goods and services which would continue to be provided for all our citizens out of the general tax revenue. I am thinking here of schools, medical and dental services, and recreational facilities. Third, and perhaps most important, what is required is that governments in this country become committed as they have never been committed in the past to an economic policy, the aim of which is to generate full employment—not stable prices—so that very few people in this country in the long run would need to rely in any sense on a guaranteed minimum income.

Our objective as a nation should be to introduce this plan now and then work, with all the energy and intelligence at our disposal, toward the creation of the kind of Canada in which no one in the years ahead would be required to rely upon this form of income plan. We should begin now!

• (5:20 p.m.)

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, motion No. 14 standing in the name of the hon. member who has just spoken raises a very broad and important matter for consideration this afternoon. As all members of the House are aware, there has been considerable discussion in recent years in all corners of our country about income maintenance schemes which in some way would guarantee a minimum income to all Canadians. This, of course, would be a major attack on poverty in our country. These proposals are given different labels such as negative income tax, guaranteed annual income, family security plans and so on. While they have certain essential similarities, often the plans differ as to specific features and approach. Difficulty in understanding arises when the same scheme is referred to by several different names, and when expressions like "negative income tax" are used to describe all the different methods proposed.

Guaranteed income describes all types of income maintenance measures which guarantee a continuing flow of income to all persons in a specific population group, or to all persons in a given category, or to the population at large. "Guaranteed income" is therefore a most comprehensive concept and is any scheme which guarantees an annual amount of income, while "Guaranteed minimum income" is a scheme which brings all persons up to a specified minimum level of income. Negative income tax is one approach which can be used to provide a guaranteed income.

I should like, first of all, to make a few comments about negative income tax. It seems to me this is a system which would propose to use income tax as a means for closing part of the poverty income gap. The poverty-income gap is the difference between the actual income of a poor person or poor family and the income they would need in order not to be poor.

This involves using the income tax system in reverse. Under a negative income tax

scheme a prescribed income level would be established at which no taxes and no benefits are received. Persons with incomes in excess of this level would pay income taxes on the excess income, while persons whose incomes fall short of this level would receive a benefit equal to a percentage of the difference between his actual income and the prescribed income level. This income gap is considered to be "negative income" and the percentage of this "negative income" given as a benefit is considered to be a tax, hence the expression "negative income tax". The level of income prescribed for a negative income tax scheme can be either the personal income tax paying level, or an officially determined poverty line or any other income standard.

There are two main methods for determining income deficiency under negative income taxation. One of these, as suggested by Friedman and Lampman, is to determine a person's income gap; that is, the amount by which total income tax exemption and deductions exceed actual income, and then fix a benefit at some percentage of this income gap. Friedman and Lampman suggested a benefit equal to 50 per cent of the income-gap, while other suggestions have been made, namely by Lampman and Schwartz, to pay 100 per cent of the income gap which would bring all persons up to the prescribed minimum income level. Another method is to assign to each unit a fixed allowance which could be varied by family size and family composition to reduce the initial value of this allowance by some percentage applied to other income received and to pay out the net value of the allowance, if any, as a benefit. This is the method which is used with the Guaranteed Income Supplement program and in the New Jersey experiment which was alluded to by the member who spoke before me.

With the first method, it is possible to provide income to fill all or part of the income gap, while with the second method it would be possible, depending on the rate of the fixed allowance and the recovery tax applied to other income, to guarantee incomes to levels exceeding those which are generally regarded as poverty levels.

Negative income taxation then is one technique which can be used to guarantee an annual income. The use of guaranteed annual income, the term used in motion No. 14 which is before us today, as a new income maintenance technique has been advocated by many people from all walks of life representing both the right and left of social thought. Some of these people are actually opposed to social welfare, but they see the guaranteed annual income as a better alternative to the present mixture of social security programs which will provide what they consider to be a more realistic system at less cost. The scheme has also been advocated by many others who regard the present social security as inadequate and who wish to have income support considerably expanded and extended.

While the concept of the guaranteed annual income has come into a great deal of prominence lately, it is not a new idea. In fact a program based on the principle of the guaranteed annual income was used in England from 1795 to 1834, but was abandoned because the use of such a scheme was believed to have a depressing effect on wages and on the mobility of labour. The concept lay dormant until World War II, when its use on a universal basis was strongly advocated in England by Lady Rhys-Williams. A similar approach was suggested in Canada in 1965 by a Canadian industrialist, D. B. Smith, and in 1966 by the Senate committee on aging, for persons over 65. These representations did not give rise to the use of the concept on a wide scale but its use on a more limited basis has been put in practice in England and in Canada.

In this respect the Canadian Guaranteed Income Supplement program, which provides an income-tested supplementary benefit to old age security pensioners who qualify, is based on the principle of the guaranteed annual income but is applied only to aged persons receiving the old age security pension. In the United Kingdom a universally applied social assistance program called the Supplementary Benefits Scheme virtually provides a guaranteed annual income to all persons in need.

It is obvious I think to anyone who considers the motion before us today, or the issues that are before us in a broader sweep, that there are some definite advantages to the guaranteed annual income scheme. Many of the features of the guaranteed annual income approach are excellent and have advantages over some of the income support measures now used. For example, the system enables larger benefits to be directed to families and individuals having low incomes at a lower cost than under certain of the social security programs now in force.

Payments can be made on the basis of a simple income test which does away with the social stigma normally associated with the receipt of public assistance and does not

require potential beneficiaries to undergo the degradation of having their incomes and assets, as well as their way of life scrutinized to determine eligibility, as is required by the provincial social assistance programs partially supported under the Canada Assistance Plan. While these advantages are important, the approach also has a number of disadvantages and limitations which cannot be overlooked. It may be helpful to discuss several of the problems associated with the use of the guaranteed annual income as an income maintenance measure.

One important question is whether the guaranteed annual income would replace in whole or in part or supplement the present social security system. The existing social security system has evolved slowly over time in response to emerging social and economic needs and indeed the emerging social conscience on the part of society generally.

• (5:30 p.m.)

Programs have been designated and indeed designed to provide solutions to underlying social and economic problems, but the design has often been limited by the availability of financial resources and more urgent and important priorities for other areas of government spending. The present system is indeed not perfect. I do not think anyone would suggest that our social system of welfare legislation is perfect in Canada, but it is continually being improved as social and economic conditions change with time.

It seems to me that it will be necessary to adapt any new method of providing income support to Canada's existing social security system. It was done, as we all know, in the case of the guaranteed income supplement for old age pensioners. At the same time, some of the existing programs will no doubt be modified, and others may be abandoned in the future. With respect to the possible replacement of existing income maintenance programs, it is important to keep in mind the objectives of existing programs.

A program such as unemployment insurance is designated and designed to provide income for the short-term unemployment of all covered members of the labour force regardless of annual income. It replaces temporary wage loss due to unemployment without requiring recipients to have less than some subsistence level of income in order to qualify. On the other hand, the Canada Pension Plan and the old age security pension program have as one of their objectives the provision of income support to aged, disabled and widowed beneficiaries regardless of their other income.

Workmen's compensation is designed to provide for income support and health services arising from work-connected accidents or industrial disease. The maximum levels of support are more generous than those that would apply under a guaranteed minimum income concept.

Consequently, the effect of introducing a guaranteed annual inome program on existing programs needs to be examined closely in relation to the social and economic objectives being served by many of the existing social security programs. The existing system provides health and welfare services as well as income support, and it is well to keep in mind that a guaranteed annual income is not an answer to social needs where social services over and above maintenance payments are required. The guaranteed annual income can only relate to cash benefit payments.

Another question is that of financial cost. There is not only the question of the ability of the nation to finance such a scheme, but the problem of the effects of total cost on the adequacy of benefits. If a guaranteed annual income program is to provide some minimum level of adequacy, a necessary first step is to establish minimum living standards which would vary as to family size and composition, geographic location and rural or urban residence, and to translate these living standards into terms of income so that they can be used as standards for payment as well as standards for eligibility. The determination of minimum living standards is not an easy task but it is absolutely necessary if equity is to be maintained among the many different family units which might receive a guaranteed annual income.

A further problem is the relationship of the benefit payment to those income levels corresponding to the minimum living standards. The benefit could be equal to the gap between a person's actual income and his appropriate minimum standard of income, or it could be some percentage of this gap or it could overlap the standard to extend income support beyond the minimum standards in order to prevent inequities arising as between families at the margin.

I think you can see that the choice of the standards and the choice of the benefit level in relation to these standards have important effects on the cost of the scheme. The higher the standards, the greater will be the cost;

and the greater the benefit in relation to those standards, the greater the cost also. If the benefit equals the income gap, it may be adequate but at the same time discourage some people from working, therefore making the scheme more costly in economic terms. If the benefit is less than the income gap, it will be less costly than the approach just mentioned but may not be adequate. If the benefit levels extend beyond the minimum income standards, the levels of support will be adequate, work efforts will be encouraged because a person will always be better off by working, but the scheme may be far too expensive in terms of the nation's ability to finance it at present and in the immediate future.

Finally, a problem which is very often discussed with respect to a guaranteed annual income approach is the effect of such a program on the incentive to work of beneficiaries or potential beneficiaries. Two possible considerations with respect to work incentives are, first, whether the guaranteeing of a minimum income and the taxing away of income when it was at high rates would reduce the work effort of people affected and, second, if the level of the guaranteed income is high enough, whether some families and individuals would be so satisfied with the amounts transferred to them that they would partially, substantially or completely reduce their work effort.

Some studies have been done in the United States and in England on the effect of high marginal tax rates on the incentive to work. These have mainly been concerned with the effect on persons in the upper income brackets. While the results of these studies showed no noticeable effect on the work effort among those with high incomes, these conclusions may not be valid among persons with low incomes. An interim report on an important experiment and study in the United States which has just been received is very reassuring with regard to low income groups.

In Canada there are a number of factors operating to encourage work effort. We live in a work-oriented society where a person is expected to work and his social status is judged on employment status and the nature of his employment. The question of the effect of income transfers on the work effort of low income members of the population is one that needs to be examined further both theoretically and practically.

One project aimed at a thorough examination of the effects of a guaranteed income on incentives to work is the New Jersey experiment which I mentioned earlier. That is a three-year experimental study involving the use of the negative income tax technique of income maintenance on a limited group of families in New Jersey. It is financed by the Office of Economic Opportunity through the Institute for Research on Poverty at the University of Wisconsin and is being conducted by Mathematica Incorporated, a firm in Princeton, New Jersey.

The sample being used is 1,200 low income households with working-age heads selected at random from among three metropolitan areas in New Jersey. The selection of the household heads was made in such a way as to provide a homogeneous group to reduce design and analysis problems and to eliminate certain types of family heads whose economic and social circumstances are such as to basically distort the study.

Four hundred of these households are the control group which do not receive income guarantee payments but are paid a small fee for taking part in interviews every three months. The other 800 are enrolled in one or other of the various negative income tax plans and receive money by cheque every two weeks. They are interviewed four times a year for the full three years and prepare every four weeks a short tax return reporting on their income and family size. The amount of money paid every two weeks is determined on the basis of the interviews and reports and an audit run by the program itself.

The composition of the eligible family unit and the concept of income used were two basic problems underlying the experiment. The research design provided that the definition should closely correspond to the definition of "family" and "income" used for census purposes. The eligible unit includes husband and wife and any child or other person, related or not, who lives with and derives more than half his support from the family head.

• (5:40 p.m.)

This definition falls somewhere between the census concepts of "economic family" and "census family." During the course of the experiment no entries are permitted into the family unit, except by birth or in the case of a minor child after an initial waiting period of six months. Rules have also been set down indicating what persons are considered to have left the family unit.

The concept of income is a broadened measure of income because it is more compre-

hensive than that used under the U.S. income tax system and is also a family measure because it includes income of all family members. The definition of income used in the income tax system has been broadened to include such things as pensions, gifts, gross rented value of owner-occupied housing occupied rent free, social security payments, capital gains and losses, but it excludes public assistance payments and permits certain other deductions. The period over which income is calculated—

The Acting Speaker (Mr. Béchard): Order. I regret having to interrupt the hon. member, but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. McBride: Thank you, Mr. Speaker. The period over which income is calculated for determining the benefit is an important feature of the scheme. The prime consideration in a guaranteed income maintenance scheme is to match current benefits to current income in the benefit year so that benefits are neither too high nor too low for current needs. Under the positive income tax system the problem is handled by using an annual accounting period with pay-as-you-go taxes or a scheme for withholding tax payments so that taxpayers are kept "current" and are not faced with unduly heavy tax payments when the income tax returns are filed. There are certain other important features which have to do with this experiment, Mr. Speaker, but I wish to share with the House only some of the conclusions which are to be drawn from it.

Preliminary results of the survey have just been released by the Office of Economic Opportunity. Again, Mr. Speaker, they were referred to by the hon. member previously. These results are based upon an analysis of the data gathered in the period August, 1968, to October, 1969, from 509 families in Trenton, Paterson and Passaic, New Jersey. The data suggest, and I think this is the most important thing of all, that there is no evidence that work effort declined among those receiving income support payments. On the contrary, there is an indication that the work effort of participants receiving payments increased relative to the work effort of those not receiving payments. Low income families receiving supplementary benefits tend to reduce borrowing, buy fewer items on credit, and purchase more consumer goods such as furniture and appliances.

A number of in-depth interviews of participants in the project were conducted in order to determine the attitudes of low income individuals toward work. These interviews clearly indicated that low income people are strongly motivated toward work. The majority of those interviewed indicated that they aspire for a better job and are willing to move to another city or take training even if it means a pay cut in order to get that better job. The majority also indicated that they are willing to work in two jobs to support their families. Of all the factors influencing work choice, job security was ranked twice as high by participants as any other job factor, including wages, working conditions or job interest. These people wanted to work. Here again, this study destroys the widely-held myth that the poor are lazy and that they are only poor because they are lazy. These responses from the participants indicate that supplementary income assistance will not reduce their work effort.

We have a number of other experiences within Canada, but in case other hon. members wish to participate in this debate I will now relinquish the floor.

Mr. Gilbert: Mr. Speaker, would the hon. member permit a question? I rather enjoyed his interesting remarks for 25 minutes, but I could not reach any conclusion as to whether he agreed with a guaranteed annual income. Would he tell us?

Mr. McBride: Mr. Speaker, if the House agrees I will be happy to finish my speech.

Mr. Knowles (Winnipeg North Centre): Just answer yes or no.

Mr. McBride: Unfortunately, Mr. Speaker, I had carried out too much research and had too much material before me, but I think it is very clear that I am much enthused about the Calgary experiment and I think there is important knowledge to be gained from it upon which legislation could be based. I am equally enthused about the New Jersey experiment. I am sure that much of the study now being undertaken on old age security annual supplements will also be of benefit in bringing about useful, positive legislation in Canada.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I would like to thank my hon. friend, the member for Oshawa-Whitby

(Mr. Broadbent), for giving the House the opportunity of discussing this very important subject this afternoon. On October 28 last I made a speech during the debate on the Speech from the Throne in which I spent considerable time commenting on various guaranteed annual income schemes, and I welcome the opportunity of further discussing them this afternoon.

Last November my third report to my riding, mailed to all my constituents, included a questionnaire which contained the question: "Do you believe that a guaranteed income plan should become the basis of a revised welfare program?" Interestingly enough, after the questionnaires were returned I discovered that the opinions of my constituents were split exactly 50-50 on this subject. Many who returned the questionnaires wrote additional comments on them or included letters with them, and many of the letters showed a quite deep suspicion of a guaranteed income plan. Such comments as, "Numerous people prefer no more, and live on welfare because easier" and, "I don't believe in giving freeloaders an easy ride" were used by some of my constituents.

The principle of a guaranteed income plan is a very difficult one for many people because of the high cost of our many social welfare schemes and the high taxes everyone has to pay to support them. It is an especially difficult concept for those who work hard to earn perhaps $1,000 to $4,000 more than the amount that would be subsidized under a guaranteed income plan. These people in, say, the $5,000 to $8,000 a year income level—and they are very numerous in my riding—realize that they would receive no direct benefit under such a scheme, and many of them—and also many in higher income brackets—believe that the people who live in public housing and/or receive municipal welfare or assistance under mothers' allowances and similar plans are taking advantage of them, the hard-working taxpayers.

Over the years federal Liberal governments have initiated all our main social security legislation and I am proud of their record in that regard. Some $6 billion are spent annually by the federal government on social security and social development programs, including $1,760 million for old age security and guaranteed income supplements for our senior citizens, $906,000,000 for hospital insurance, $889,000,000 in equalization payments to less developed provinces, $618,000,000 to post-secondary education, $616,000,000 for family and youth allowances, $472,000,000 for the Canada Assistance Plan which pays for one-half the cost of the provincial social security schemes, $214,000,000 for manpower retraining, $181,000,000 for medicare, as well as unemployment insurance benefits which are largely financed by direct contributions from employers and employees.

However, Mr. Speaker, despite the value of all these programs they have not directly met the needs of the 25 per cent of our people who are living below the poverty level as defined by the Economic Council of Canada. To me, therefore, a guaranteed income plan which would have to include excellent incentives to work for additional income is needed as quickly as possible in Canada before we can hope to win our war against poverty.

• (5:50 p.m.)

It has become a cliché to state that we are a rapidly changing society, but it is a very true and major characteristic of our changing society that we are in the midst of a social and cultural revolution. If we ignore this mood in the development of our social policies and programs, we do so at our own peril. In the midst of this social and cultural change, some of the basic principles which have for centuries governed the manner in which we have dealt with the more vulnerable members of our society should be questioned and challenged. In brief, the concept of aiding the poor through charitable handouts or public assistance relief measures may well be outmoded.

The technological revolution has been a major factor in producing almost a quarter-century of solid economic growth for Canada. For 19 years we have enjoyed economic expansion at a healthy 5.1 per cent annual rate, and for 18 years wages and salaries have gone up at the annual rate of 8.7 per cent. The Economic Council suggests it is realistic to hope for a further 35 per cent increase in our standard of living by 1975. In the midst of this economic growth we are increasingly puzzled as to why some 25 per cent of our population seem unable to participate in this new wealth, and why the gap between the "haves" and "have nots" is growing.

Although a moralistic approach to poverty dies hard, the concept that poverty is in most cases a consequence beyond the individual's control is now being more widely accepted in Canada. We will likely continue to be a work-orientated, indeed a work-addicted society. While fewer workers may be required,

because of technological advancement, to produce the necessary goods and services, our rising aspirations and increased standard of living will demand even more goods and especially services, thereby keeping demand for labour high.

The most desirable way for a man to acquire sufficient income is through gainful employment. Therefore, the primary aim of our social policies should be to guarantee the individual the freedom and the opportunity to carry responsibility so far as he is able for meeting his own needs and aspirations. However, when he fails for whatever reason to provide for his own needs, including an adequate income, we are confronted inevitably and invariably with the core question: Does a man have a right to an adequate income?

An adequate income is by no means the only criterion in avoiding poverty, nor will a plan of guaranteed income by itself eradicate poverty. Without an income sufficient to purchase the essentials of modern living, a family is likely to remain poor. Hence, the provision of an adequate income should be basic to a war on poverty and it should also be central to our social security system. We have tried for too many decades to sidestep this fundamental truth. For too long our social workers, economists, businessmen and politicians have clung tenaciously to the view that the poor could be cajoled, coaxed, counselled and case-worked either into a state of independence or into acceptance of their unhappy lot. Only during the past few years have we begun to realize more clearly that this system does not work and is not cheap, but on a cost-benefit ratio it is very expensive.

I am not advocating doing away with all case-work. We will need to continue to work with the poor in all age groups on an individual basis; we will have to help them in developing plans for adequate education, training, adult retraining, resettlement to job opportunities and all the rest. We will also have to provide public housing for some, and we will have to expand our day care services. The Toronto *Star* on March 20, 1970, focused on the desperate need for day care facilities in metropolitan Toronto where 135,000 children need day care, 45,000 of them being under six years old; yet in all metropolitan Toronto there are only 83 day nurseries with places for 3,710 pre-school children. An adequate income is no substitute for these services, but most of these programs will be expensive and an exercise in futility unless we also provide poor families with an income adequate to purchase the necessities of our modern life.

Our tax reform proposals which increase the single exemption from $1,000 to $1,400 and the married exemption from $2,000 to $2,800 will certainly be of some help to people who fall below the poverty line. The proposal allowing an exemption of up to $500 per child for day care expense for up to four children will also help working mothers, but these proposals do not go very far in themselves toward providing our poor people with an adequate income.

Mr. Speaker, Mr. Reuben Baetz, the executive director of the Canadian Welfare Council, in a paper he wrote for our Harrison conference last fall stated that there are five principles which must be applied rigorously to any system designed to provide a guaranteed income, and I agree with him on them. They are: 1. Will it provide most help to those who need it most? 2. Is it equitable; is it fair to all concerned? 3. Does it enhance rather than destroy human dignity? 4. Is it efficient to administer? 5. Is it economically feasible?

It would seem that the present social assistance programs fail in varying degrees in every test, and that the negative income tax approach of guaranteed income comes through with a much higher score. Regarding No. 1—will it provide help to those who need it most?—this is the question raised by a tax-weary public. In light of the $6.5 billion spent annually by our three levels of government on direct social security programs, a perplexed public asks: Why do we continue to have the poor with us? The answer is, of course, that most of our costly programs were never designed to help most of those who needed it most. The over $600 million tax free family allowance program is a classic example, and the more than $1 billion in old age security benefits is another. A negative income tax system with its guaranteed floor and steady scales of allowances based on an income test will provide, without equivocation, most help to those in greatest financial need.

Secondly, is it equitable; is it fair to all concerned? In a number of ways our present public assistance programs violate the rules of fair play and equity. In many regions of the country a fully-employed man receives no help at all, even though the family income is below any standard of adequacy. This principle of "all or nothing at all" is also applied to

families who are on public welfare but who have some earnings. They generally have one dollar deducted from welfare for every extra dollar that they earn.

The Acting Speaker (Mr. Béchard): Order. The hour allotted for private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed consideration of Bill C-3, to amend the Criminal Code, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, prior to private members' hour I was dealing particularly with those clauses of the amendment that relate to advocacy. I said that it is tragically true that in Canada tiny groups of perverted individuals circulate literature that is filthy, malicious and scurrilous; but ideas, good or bad, are seldom buried in jail. As I have pointed out, there is plenty of protection against this sort of thing in the Criminal Code and the Bill of Rights. What we might be doing here is creating the possibility for people to become martyrs. Ideas, as I said before, are seldom buried in jail. As Professor Harry Arthurs, Dean of Osgood Hall, has said, to pass this bill could mean that in the name of democracy we sacrificed democracy. The police crackdown or the jail sentence is a singularly ineffective way of diminishing hatred and contempt.

The most effective strategy to counter either the pathological fanaticism that distributes smear sheets or the more sophisticated expressions of those prejudices and hostilities that still survive among groups in our society is not the incarceration of a few annoying individuals. I cannot admit that we are approaching bankruptcy in terms of our moral and educational resources to deal with the problem of hate and contempt.

With the Canadian Bill of Rights of 1960 we have a new development in the law. The Bill has been interpreted in the Drybones case and now the courts take cognizance of the Bill of Rights which protects us. We have moved into a new concept of how to protect human rights and particularly how to eliminate racial discrimination.

I refer to the human rights commissions that are now being established by various provinces, of which the best example is the Ontario Human Rights Commission. Here we have a new method of approaching this problem. In my opinion we do not need more criminal law. Why involve the police, and why have trials. Matters such as hate and love are in a realm of human behaviour where law is a very awkward and clumsy form of control. You do not release the hatred by more prohibitions, but by fair human rights legislation.

Our anti-discrimination laws are greatly advanced and are developing all the time. To my mind this new kind of approach is almost like a social worker's approach. By a proper and well-balanced system of education you reach the minds of people and raise the dignity of the individual. Individuals are raised to such an extent and their expressions become such that they lack the capacity for this kind of hate literature which is published, as I said before, by small groups.

The second point is that the clauses of the bill dealing with hate literature are not necessary. This is crisis legislation, and there is no crisis in Canada. The bill undoubtedly constitutes an increase in the prohibitions of the Criminal Code and therefore a decrease in the freedom of the individual. I see no pressing evil at this moment, and I do not think anybody can produce evidence of any, in Canada that warrants its necessity.

As for the argument of fulfilling any obligations we may have internationally, there are two international conventions that might seem to give us obligations. There is the Genocide Convention and the Convention on the Elimination of All Forms of Racial Discrimination. There is good authority to say that our present law is adequate to fulfil our obligations under these conventions, international agreements or arrangements.

The third argument is that this bill is dangerous. It is bad education for the public. It teaches that the way you stop hate is by having the police lay charges and putting a man in prison. That is not the way to make people behave better. I do not think anybody

who saw what took place in the neighbouring country to the south, at the Democratic Party Convention in Chicago, will ever forget what happened. There we saw police power at its worst.

When you put power over the area we are discussing in the hands of the police, what happens? What happens when you put a man in prison for three months and he comes out again? Has that man changed his mind? Some good men here argued previously that capital punishment is not a deterrent to murder. How can they say, then, tonight that by threatening to put a man in jail because he may publish something will, according to the provisions of this bill, deter him from publishing that paper? That argument is utter nonsense. As I say, what happens when you put people in prison? You do not change their minds. We are getting away today from the whole concept of this old style criminal prosecution as a method of handling difficult human relations.

Why is this question raised in connection with criminal law? No international convention says that you must make laws in this matter or that they must be criminal laws. I submit the government has not the right to leap into amending the Criminal Code when there are to be explored two areas of alternative procedure such as I alluded to before. I would remind you again, Mr. Speaker, that this bill will bring a reduction in the amount of freedom of speech and freedom of the press that we have had in Canada up to this moment.

I will mention only the section granting the Attorney General discretion as to whether charges will be laid under the sections dealing with promoting or inciting hatred that may lead to a breach of the peace. The Attorneys General of the provinces are members of political parties. Our Minister of Justice (Mr. Turner) is a member of the Liberal Party. He is a political animal, as is any other Member of Parliament. This power may be used by an unscrupulous Attorney General of a province, or the Attorney General of Canada, even against members of this institution and the public at large.

• (8:10 p.m.)

The Minister of Justice said that there will be no rule of law under this bill. There will be law by political fiat, and politicians have been known to bend with the wind. This means it is possible there will be one law for the French and one for the English, one for the Jews and one for the Arabs, one for the Catholics and one for the Protestants. This provision renders unacceptable all sections of the bill save those covering genocide.

I now wish to deal with some of the things that have happened recently. What did the Czechoslovakians say when the U.S.S.R. overran their country recently? One student put it in its proper perspective. The professors, the intellects and administrators remained aloof from the campus and university conflict and played safe. One student said he felt ashamed of himself "because we move and breathe, and say a few complacent words with tongues that are afraid to say our thoughts. We think we are alive. But we are dead". The only way to conquer hate is to change the heart of man, and the heart is controlled by the mind.

We ought to educate more than our Canadian students. We must educate our masters, the legislators and the citizens who in the end make educational institutions possible. We need to convince them of what they have forgotten—the importance of intellectual freedom if we are to have the kind of country most Canadians desire. We need to make our fellow citizens realize that freedom is not safety, but opportunity.

I referred in my opening remarks to a most powerful speech which was made in this chamber when our country was about to join the rest of the Commonwealth in the war against the Nazis. One member who spoke in this House opposed all other members. Thank God he had the right to do that! No doubt at that time he was subjected to ridicule and contempt. I am referring to Mr. Woodsworth. His daughter, in her book, quotes him as saying:

> I do not care whether you think me an impossible idealist or a dangerous crank. I am going to take my place beside the children and these young people, because it is only as we adopt new policies that this world will be at all a livable place for our children who follow us. We laud the courage of those who go to the front; yes, I have boys of my own, and I hope they are not cowards, but if any one of those boys, not from cowardice but really through belief, is willing to take his stand on this matter and, if necessary, to face a concentration camp or a firing-squad, I shall be more proud of that boy than if he enlisted for the war.

Naturally people did not agree with him at that time, the point I want to make is that there was freedom of thought and freedom of speech. There were those who believed that the war was an imperialistic war, even when the truth was out that men, women and children were confined to concentration camps and ended up in gas chambers. There were

those who still maintained it was an imperialistic war. Do they have the right to have those thoughts and speak out? Yes!

When our words may jeopardize the state, such as in time of war, there should be some control over the manner of speech, but thank God under normal conditions we have the right to express ourselves as we see fit.

Some hon. Members: Hear, hear!

Mr. Woolliams: This afternoon I referred to the Bill of Rights. I shall not repeat what I said. I point out to the House that these things can be checked. When dealing with this bill, they must be put on the record. Section 60 of the Criminal Code deals with sedition. One hon. member said he had a lot of experience. I ask him to look up section 66 dealing with the punishment of a rioter. I also refer to section 67, the punishment of a member of an unlawful assembly; section 68, the reading the Riot Act; section 30, preventing a breach of peace; section 120, public mischief; section 150, offences tending to corrupt morals; section 160, the causing of disturbances; section 246, blasphemous libel; and section 166, spreading false news. In those sections of the Criminal Code we have all the protection we need. We can still maintain freedom of thought, freedom of speech, freedom of the press and freedom of communication.

I wish to remind the House of the statement of Mr. Justice Rand in *Boucher v. The King*, 1951 Supreme Court Reports at page 284. It is interesting to note what Professor Scott said at that time. He said at the Legal and Constitutional Committee of the Senate, on April 29:

> I will never forget, Mr. Chairman, how delighted I and all my friends were at the Supreme Court coming out with what we thought was a great clarification in the law, an increase in freedom of speech, yet still providing us in Canada with an adequate protection against real danger.

This was in relation to hate and malicious propaganda. His words can be found at page 202 of the report. At page 287 of the Supreme Court Report a description of the Boucher case is given. A religious sect published an article. Certainly it was mischievous and malicious. It created contempt, ridicule and broke the peace. The document was headed, "Quebec's burning hate for God and Christ: Freedom is the shame of Canada". The author was charged under the Padlock Law and put in jail. This is what Justice Rand said in dealing with sections of the Code:

> The definition of seditious intention as formulated by Stephen, summarized, is, (1) to bring into hatred or contempt, or to excite disaffection against, the King or the government and constitution of the United Kingdom, or either House of Parliament,—

I am not going to quote all that he said, but I want to make the point that the definition the learned Justice of the Supreme Court of Canada set out in 1951 in the Boucher case is basically identical to the protection this bill is supposed to afford. The law is there. As the hon. member for New Westminster (Mr. Hogarth) said, this is a vote-getting job and it threatens freedom of speech, freedom of thought and freedom of the press in this country. In other words, so far as law goes, freedom of the press is only the right to be let alone. The law itself does nothing affirmative; it leaves the whole task of promoting truth in the hands of authors, editors, reporters, publishers, broadcasters, motion picture producers and the rest of the communications people.

What will happen to books in the library which fall within the provisions of this bill? What will happen to a member who reads those books? Will he be charged under those sections and be liable to two years imprisonment? Is some Attorney General going to say to the member, "Because you read the book of Woodsworth or the book Out of the Night"—one of the most terrifying books I have ever read—"you will be charged"? What will happen to these books? I would like somebody to answer that question.

Unless they do something worth while, not a mite of truth has been attained or communicated. All that has happened is that a bunch of outsiders with official titles and police badges have been reduced to inaction. The law is kept away, but is truth any further ahead? Freedom of speech, and therefore freedom of the press—freedom from what? That is a good question but a much bigger question is, freedom for what?

I would like to ask some questions at this stage when dealing with this bill, which can become a very emotional and inflammatory issue: Is the government implementing this law with an eye on the next election? Has the government party an axe to grind? Are its decisions moved by emotion rather than intellect? I leave those questions with the House.

• (8:20 p.m.)

I now wish to turn to another question which puzzles me. What will happen in connection with parliamentary immunity? We

are fully protected against all kinds of civil actions for slander when we are speaking here. But are we protected against a criminal charge? If, in desperation, an hon. member were to assassinate somebody or commit assault resulting in bodily injury, actions covered by the criminal law, would he enjoy parliamentary immunity? I am sure he would not; this House would quickly move a resolution and the parliamentarian concerned would be tried in the courts of justice like any other citizen.

But what would happen to parliamentary immunity under this bill if any hon. member dared raise his voice in the House and express himself in a way which brought him within the formula laid down here? Could not a resolution be passed by supporters of a majority government which is awfully hungry for power and which has shown itself prepared to override parliament at every turn? These are the dangers of the bill before us. I ask what would happen to parliamentary immunity if it became law. The Attorney General has power to say whether an offence, if one has been committed, shall be subject to prosecution or not. Well, the Attorney General is a member of a political party; he is as much a political animal, as anyone else here. What might happen?

When the legislators stagnate, I am glad we have dissenters. But consider the actions of those who take a stand on the Viet Nam situation; those, for example, who defend the position of the United States. Do their words not lead to hatred? Do they not cause, on occasions, a breach of the peace? It is the process of dissent which gives rise to freedom. Just because there is a man like Beatty in Toronto, and a few other crackpots like him, is no reason for using a packet of dynamite when a few drops of mosquito oil would do.

One hon. member mentioned the CBC. What about the plays I see continually on the television screen? My children would never have known anything about Nazi Germany but for them. Every night there is one of these programs. Now there is one about Yugoslavia. They have got out one about fighting guerrillas. Are these programs hate literature? Are they directed against identifiable groups of people? What will happen to TV and radio? I must congratulate the national newspapers; they have been writing responsible editorials drawing attention to precisely the points I am raising now. I hope the press gallery of this institution will measure up to its responsibility and make it known that the power to write, the power to find out the truth and the power to protest is vital to democracy even though its effect may not be appreciated for some time.

We have a right to be silent, too. That is a form of free speech. Take the example of an obscure Englishman named Francis Jenkes, in the time of Charles II. He had been brought before the court for daring to criticize the court itself—at least it was an identifiable group, made up of judges and bishops. When asked the question, "Who advised you in this matter?" he replied:

> To name any particular person (if there were such) would be a mean and unworthy thing, therefore I desire to be excused all further answer to such questions.

What did the lords and bishops do? They threw him into a dungeon. But as a result, freedom was born. He stayed in prison all summer, but his stubbornness helped bring into being the great Habeas Corpus Act of 1679. What about the right of the press to remain silent as to their sources of information? What about the right of a Member of Parliament to remain silent as to his sources of information? Does free speech produce truth? The great writers and speakers mislead us a little because their inspiring words lead us to expect too much from discussion too soon. In great debates it is possibly true to say that no parliamentarian convinces more than a few. But we tend to ignore thousands of listeners and readers many of whom reshape their half-formed views because of what is said in the course of free speech, in the thrust of parliamentary debate or, indeed, in debate on the hustings.

To put it in another way, we know the tide is either coming in or going out, but we do not possess a tide-table. Very few people can accurately measure public opinion. Every now and then, of course, we encounter the speaker or the writer who is really an objectionable fellow. There is the position of the extremist. He may frighten a multitude of cautious and sensitive men who do not dare imperil their wives and children: it upsets their tranquility, which is essential to productive writing. We cannot know what is lost through the effect of repression of them, because it is not prosecuted but simply left unsaid. The agitator's contest is waged on behalf of these thoughtful men as well as for his own sake, and if he wins, the gain to truth will usually come more from their writing than from his. As

Spinoza said, paring down the state until it is too small to harbour men of talent and integrity is not the answer.

I have already discussed the position of books and magazines. I could quote from the book "Out of the Night". If this is not hate literature, there never was any hate literature published. It should be read by every Canadian. It is in the library. Suppose somebody wants to read it to a group of people and it happens to fit into the terms of the bill before us: is this any reason for putting people in jail and limiting freedom of speech?

Prior to the Rebellion Losses Bill of 1837, those Canadian revolutionaries of Upper and Lower Canada won over the establishment by resolution, and they were no cowards. They did not fear political change. They did not exalt order at the cost of liberty. I should like to read what Professor Mewett said in reply to certain questions which I addressed to him in committee. I put this question to him: Suppose the chief of an Indian band calls attention to conditions on reserves in Alberta, attributes those conditions to the actions of the white man, and disturbs the peace by inciting protest. He is arrested because the Attorney General says he is causing his party and the government embarrassment, and he is charged under the terms of the "hate bill". My point is, Professor Mewett said this could happen. Later I asked him what could happen if the press—for example, the Calgary *Herald* or the *Albertan*—were to print what the chief had said. Professor Mewett told me that they, too, could be found guilty under the act.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired. Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Woolliams: I will try not to be too long, Mr. Speaker. Somebody said I have just started. Well, this is an important subject, one to which everyone should direct his attention, particularly as far as this institution is concerned. I happen to have a strong distaste for certain things, including communism. I want to express that distaste in my own manner and my own oratory. But I would also defend as vigorously, and with all the ability at my command, the right of communistic groups not only to defend their philosophy but to propound it. How could an advocate take any other position?

• (8:30 p.m.)

Let me ask this question of record: Were the concentration camps in Siberia any different from those that were created by the Nazis, as far as human destruction of the soul and body and the breach of all our understanding of civil liberties are concerned? What brought these camps about? Under a dictatorship, free thought, free speech and free communication among the masses were denied to the people. And the people did not even believe that this was going on in their midst!

What are we going to do with the fuss that this bill will cause before it is implemented? The few charges which may arise, and investigations which may take place could, and will, stop freedom of speech. We might even convict a few conscientious men. Does the government want to create martyrs?

In 1589, when Udall was charged before the then known Privy Council, made up again of lords and bishops—the establishment—for inciting ridicule and contempt and creating hatred against the corrupt court that caused men to revolt, the bishop of the day, much like in "Anne of a Thousand Days", said to Udall that if he would not answer he must go to prison. He said: "It will go hard with you, for you must remain there until you admit it". Hon. members should read some of the famous cases and read books like "Blessings of Liberty" by Chafee which bring this question up to date. Do you know, Mr. Speaker, what Udall replied? His remarks are the very foundation of our freedom. He said: "I would rather go to prison with a good conscience than be at liberty with an ill one". The truth will out with freedom of speech. In a free country we punish men for the crimes they commit, but never for the opinions they have and rarely for the opinions they express.

Supporters of the bill will refer, as I have said, to crackpots like Beatty in Toronto who incite prejudice against immigrants and others. His failure to win any support shows that the confidence that is put in the voters of Canada is justified. It is justified when you have informed people in a democracy. As I have said, why waste dynamite when you can use insect powder?

I want to refer to two matters before I sit down, to bolster my argument. I want everybody who talks about voting with a free conscience, about not being bound by party discipline, to think about this. Let them read in Western Weekly Reports, 1920, the case of

Rex *v.* Russell. I also mentioned in passing Woodsworth and referred to the time when unions in Winnipeg were being organized in order to try to get for the average working man the right to arbitrate and make deals in regard to wages, time and working conditions. In those days the courts were way behind the times. The law had not been changed in Canada and brought up to date as it had in England. This is what the court said in Russell's case:

What took place before the strike shows that the accused and his associate "Reds" aimed at something much more drastic.

I am not quoting a newspaper; this is the statement of a judge of the Manitoba Court of Appeal. He went on:

Their ultimate purpose, as declared in their public speeches, was revolution, the overthrow of the existing form of government in Canada—

Pausing there, why should they not overthrow the government? These men had gone overseas for four years during the first war. They had suffered in the trenches, had to contend with lice and all sorts of unpleasant things. They saw their friends killed and wounded. They came back to find no jobs and a society that would not look at them. As a result, they dared to incite, to cause ridicule, and perhaps create a little hate—because they must have had a little hate.

These men were tried before the courts and thrown into jail. They included Woodsworth and Russell, men who helped lay the cornerstones of the labour movement today and the labour legislation that I hear so much about from my friends to my left. I think they will go along with me, because one or two of them were in the committee with me on the bill. I do not know how they can justify the cause of the labour movement if they give their support to certain clauses of this bill.

Let me return to the Russell case and read what was said:

This was to be accomplished by general strikes, force and terror and, if necessary, by bloodshed. The Bolshevists in Russia were greeted and approved.

That is what the judge said. He was shocked. He went on:

A vast quantity of propaganda in the shape of pamphlets, booklets, printed papers, etc. was distributed by the conspirators—

Mr. Woodsworth had an unusual library, one that was filled with material which gave him a deep and dedicated sense of feeling for humanity, a sense of feeling for men who had served in the war and for the workingman. But the authorities said this was awful. They said this man had this literature which he read to the crowd, thus inciting the crowd to break the peace. As a result they were put in jail. This is not a story taken from a newspaper or a magazine hastily written. This is not a speech made by a crackpot; it was written by one of the judges of the land at that time. The judge continued:

All of this contained matter intended to excite discontent and stir up class hatred—

Perhaps these men were glad that something was stirred up, because they were tired of going home hungry. They were tired of being sworn at and being fired. They were tired of working for 20 cents an hour. He continued:

The agitation prior to and during the strike showed no desire on the part of the leaders to bring about by constitutional means an improvement in the position of the wage-earner or by securing for him of a greater share in the fruits of his labour. Writing to brother socialists prior to the strike the accused contemptuously refers to the rank and file of the working men as the "plugs."

This engendered hatred and he was thrown in jail. What did Parliament do? They accepted the judgment which was confirmed in the court of appeal. I will not read any more of this case; it is there for all to read. It follows the same kind of line. The judgment was put in the wastepaper basket because the legislators took their responsibilities and passed the sort of laws that this House and this Parliament would today pass with ease.

Let me refer to a great Liberal who met with an accident which caused his death, Blair Fraser. He talked in the same vein as I. He said he would go along with the first clauses dealing with genocide, but then he said:

The Cohen committee suggested making it an offence, punishable by up to two years in jail, to "incite hatred or contempt against any identifiable group, where such incitement is likely to lead to a breach of the peace." The inciter would thus be the guilty party, even if the breach of the peace were committed by the group he was slandering, as has happened at neo-Nazi rallies in Toronto.

This sort of thing is a lot trickier. It recalls the famous case of Boucher vs. The King in 1950 and 1951—

That is the case to which I have referred.

—when after two separate hearings the Supreme Court of Canada quashed the conviction of a Quebec Witness of Jehovah who had been convicted in his own province of "seditious Libel" for distributing the Witnesses' tract—

That is the magazine I have described. In directing the acquittal of Boucher, Mr. Justice Rand in his judgment said:

"Freedom in thought and speech and disagreement in ideas and beliefs, on every conceivable subject, are of the essence of our life. The clash of critical discussion on political, social and religious subjects has become too deeply the stuff of daily experience to suggest that mere ill-will, as a product of controversy, can strike down the latter with illegality."

How the cabinet—

He is referring to a group of members on the other side of the House.

—is going to get around this difficulty we shall not know until the legislation is introduced.

And the cabinet has not got around it. Then he went on to say that many private bills against hate literature had been introduced in the House. I end with these words. Today I was shocked. Here we are debating something which, as far as I am concerned, is established fact—freedom of speech and expression not only in the House of Commons but throughout the nation; the right of freedom of the press and freedom of radio and television. We are engaging in this kind of debate, nevertheless. I asked for two assistants to interpret the law as I see it, before I moved my motion in the committee, and I was refused.

• (8:40 p.m.)

I spent the whole Easter holiday briefing myself, because I do not have behind me a staff like some of the ministers. As I see the law, the individuals of this country are fully protected. We are faced with many problems such as housing and the problem of no trade in respect of wheat and petroleum. There is a large gap in foreign policy between the United States and Canada which can wreck the whole economy. There is rising unemployment and there is inflation. If this government would turn its mind to the just society, clean up the ghettoes and do something for the average man, there would not be the hatred there is in the hearts of men, or the desire to incite, because they would be getting on with their jobs.

Some hon. Members: Hear, hear!

Mr. Woolliams: Never in history since Confederation have we had such a government. All governments use a little window-dressing, like the bride to look beautiful for public opinion. Never, however, has there been a government which has used such window-dressing as has been used in respect of hate literature or amendments to the Criminal Code. This government should get on with the economic problems of this nation. Never in my life have I seen so much unrest in this nation. There are separatists in the west and there are separatists in Quebec. There is trouble in the Maritimes and everywhere else. This government was elected on the question of unity. It must get on the move. It has a majority and we cannot drive it from office by a vote, but there are a few Liberal backbenchers whom we must admire. We heard one this afternoon. Let me say to the government that dissension in its own ranks will grow until the government is driven from office.

Some hon. Members: Hear, hear!

Mr. David Orlikow (Winnipeg North): Mr. Speaker, this is a bill which divides people who have worked together for many years, people who have worked in the field of civil liberties and in the field of the right of the freest expression of opinion. I respect the position of people such as Professor Frank Scott of McGill University, who has been in the forefront of every fight against any attempt to restrict the right of any person to express his views, whether those views deal with religion or, in the case of Professor Scott, with politics when he dealt with the Padlock Law or in the field of books when he dealt with the case of "Lady Chartterley's Lover." I respect the views expressed before the committee by Professor Arthur of Osgoode Hall. I respect these gentleman and give them a great deal of consideration. I am sorry I cannot agree with them. I am sorry I take issue with them, because I think this bill is necessary.

I was surprised and delighted to hear the speech of the hon. member for Calgary North (Mr. Woolliams). I found his speech interesting when he quoted so approvingly from the speeches made in difficult times by people like my old teacher from Winnipeg, the former member for Winnipeg North Centre and founder of the CCF, Mr. J. S. Woodsworth. I found it interesting to hear him mention the cases which arose out of the 1919 strike. I grew up in Winnipeg and I know what effect this strike had on Winnipeg and western Canada for so many years.

In the years to come I will be interested to see whether the hon. member for Calgary North will be as quick and as vocal in defending the rights of those who may strike in the 1970s or those who may express views which do not find favour with the majority of

the people in the 1970s. I do not want to be too critical of the hon. member for Calgary North, but I heard him speak on the side of what may be called the establishment, and knowing the views he seemed to be espousing tonight I find it difficult to understand his position.

I can understand those who are concerned about this bill and feel it may infringe upon the rights of people to express their views. People such as Professor Arthur and Professor Scott have a deep commitment to civil liberties: they have worked to defend the right of all those who want to express themselves, not just those who want to say things with which most of the people of Canada agree. I have respect for Professor Scott and the kind of things he has done over the years. I think that people who express views with which most of us do not agree have a right to their opinions.

I think those who have been labelled hippies have a right to their opinions and their way of life. In my own and in other cities I have found the police have taken the position that these people are not very welcome and are not very useful. They have adopted methods with which I do not agree. I do not agree with the methods used by all those who are critical of the involvement of the United States in the war in Viet Nam, but I join with those who insist that those people have a right to express their view here in Canada. If I lived in the United States I would say they have a right to express their point of view there.

I disagree with many of those who are associated with what is commonly called the New Left, the Maoists, the Trotskyists, and so on. All my life I have opposed that point of view. But I defend their right to say what they think and put forward their point of view even though others may strongly disagree with them. So I understand the position of most of the people who are opposed to this bill, because I am a civil libertarian. I think I have demonstrated both in the House and outside my concern about what I consider to be these zealous activities on the part of the police, the Crown prosecutors or indeed the courts. I shall continue to do so, and I want others to have the right to continue to do these things even if the majority of the people do not agree with them.

I do not believe, however, that freedom of speech means licence. I do not believe this bill will prevent the expression of controversial or what some people, and even I, might consider to be offensive modes of speaking or writing. We already have slander and libel laws under which a person who is falsely accused, defamed or injured, either in speech or in writing, can go to the courts and can claim damages and ask for an injunction prohibiting the type of malicious, false accusation which has been made against him.

Although I do not place myself in the same position as many hon. members who are trained in the legal profession, I do understand that this bill proposes to do for groups what has already been done and what has worked so well over many years for individuals. It proposes, as I understand it, to protect groups from the type of dishonest, malicious and harmful criticism which is now prohibited by law against an individual. I think that is not only fair but is necessary.

Of course, we are proposing a limitation on complete freedom of expression. But can we really argue that there ought not to be any limitations, in light of the history of the past half-century? We are not living in the golden age of liberalism when in some countries like Great Britain people could say almost anything they wanted without hurting anybody.

• (8:50 p.m.)

After all, need I remind members of this House of Commons what has happened in the world? Need I remind Members of Parliament that in the United States of America there are people who so hate and despise American citizens whose colour is not white that they write and speak about Negroes, Puerto Ricans and Mexican Americans in the kind of language which has led to murder, to rape, to lynchings and to burning of whole communities?

This is a fact of history which I think most Canadians know. Need I remind Members of Parliament of what happened in Europe during World War II when Hitler decided that certain people who were not members of the master race should be, and they were, exterminated? At that time millions of people, Jews, Poles, Ukrainians, were murdered in gas ovens, were shot and were burnt simply because of their racial origin. These are facts of life. That hatred lingers on.

Who would have believed that in a communist country—I have spoken about my dislike of and opposition to communism many times both inside and outside this chamber—racism would exist? Not many of us, as anti-communist as we were, really believed that the communists with all their faults could be guilty of

racism; yet the 2,000 Jews who went back to Poland after World War II are now leaving. They are being forced out for one simple reason—because they are Jews. Racism exists in communist Poland as it existed before and during World War II in fascist Poland.

Are we so free of racism in Canada? Who is there in this chamber, particularly those who come from western Canada, who has not heard or read expressions about Canadian Indians or Canadian Métis which would put to shame some of the worst material published in the United States about black Americans? These are facts with which we have to live, and because of this we support the principle of the bill.

I said earlier that some civil libertarians oppose this bill. While I disagree with them, I respect them. There are many civil libertarians, people who have put many years into defending the right of the unpopular, who are supporting this bill. I have had many differences of opinion with the Prime Minister (Mr. Trudeau) and I will have many in the future, but the Prime Minister played a very honourable role in the province of Quebec at a time when it was not very popular to oppose the former Premier, Mr. Duplessis. The Prime Minister was on a committee which studied this question, the report of which led to the presentation of this bill. The hon. member for Windsor-Walkerville (Mr. MacGuigan) was an active member of the Civil Liberties Association in Ontario before he came to this House. He was on that committee.

My colleague, the hon. member for Greenwood (Mr. Brewin) has a long record, which I need not go into tonight, of defending people who are unpopular, who are being persecuted and prosecuted by the establishment. He is defending this bill. I say they have done so because the evidence is that the kind of thing about which this bill talks, hate propaganda against people simply because of their race, colour or religion, is being disseminated in this country. It is being disseminated in large quantities in virtually every province. Because this is so, and because it creates division and hatred for Canadian citizens, I believe this bill is necessary.

In passing this bill we will be joining a host of other countries which have been faced with the same problem and have attempted to deal with it in part at least by the enactment of legislation. Great Britain, a country to which we always refer when we discuss parliamentary democracy, freedom and human rights, has, after centuries of assuming that legislation is not necessary, now passed legislation. Sweden and other countries too numerous to mention have also passed legislation.

They have done it because they looked at the record, they looked at the history of the last 50 years and realized how deep is this hatred, how pathological, how destructive is this kind of feeling and how necessary is this legislation. When we pass this bill I say "when" because I am confident that we will—we will actually be putting into effect the United Nations Declaration on the Elimination of all Forms of Racial Discrimination which was passed unanimously by the UN General Assembly on November 23, 1963.

I do not expect that the passage of this bill will mean the end of all hate propaganda. I know that we will be putting a difficult task in the laps of the police, the Crown prosecutors and the judges. I know there will be divisions. I am certain that some judges will not go as far as I think they should, and I am also certain that some judges will go further than I think they should in interpreting this bill and in dealing with examples of what will be called hate literature. That is part of society, that is part of a democratic way of life.

I want to be honest. I am not certain that the provisions of this bill will be very effective, but even knowing that this may be so I support it because it seems to me that in passing the bill we, the Parliament of Canada speaking for the people of Canada, will be making a declaration and will be saying to the people of Canada: We believe that it is not only wrong, not only immoral but illegal for any person in Canada to attack, to vilify and to incite hatred and violence against any other Canadian because of his race, colour or religion. Because I believe that that kind of declaration will be useful and will in itself be an educating force which can be held up as an example to all the people of Canada, I intend to vote for this bill as it is at the present time.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, we are speaking now to an amendment proposed by the hon. member for Calgary North (Mr. Woolliams) who enjoys the confidence of his party, the official opposition, as their official spokesman in matters relating to the administration of justice and the review of the attorney generalship in the Department of Justice. I think we ought to

analyse, before probing the substance of his amendment, just what it would do. It purports, on the face of it, to eliminate a few lines of the bill. But what it does is truncate and absolutely vitiate the bill, and if adopted by the House would kill the bill. I do not think we can prevaricate about that; that is exactly what it will do.

• (9:00 p.m.)

There are three offences contemplated in Bill C-3. The first is found under new section 267A, which embraces the offence of advocating or promoting genocide. The second is found in new section 267B(1), which is the proposed offence of public incitement of hatred where such incitement is likely to lead to a breach of the peace. The third offence is found in new section 267B(2) providing for the wilful promotion of hatred or contempt.

The amendment proposed by the hon. member for Calgary North, presumably on behalf of the party for which he is the official spokesman, would eliminate two of these three offences.

Mr. Woolliams: Right.

Mr. Turner (Ottawa-Carleton): It would leave in the bill only the proposed offence of advocating or promoting genocide. It would completely strike from the bill the proposed offence of public incitement of hatred, and the proposed offence of the wilful promotion of hatred.

That being said, Mr. Speaker, let me now say that we are at the report stage of the bill in the House of Commons, debating the report of the Standing Committee on Justice and Legal Affairs. I said previously, when speaking to the amendment proposed by the hon. member for New Westminster (Mr. Hogarth), the government accepts the amendments proposed in committee. Some of those amendments were proposed by members of parties that I do not represent. Some of those amendments were carried with the support of members with whom I am associated.

None the less, I believe very firmly in the committee system, allowing Members of Parliament to exercise their individual judgment, and I believe very firmly that in this particular instance the bill, without being sacrificed in substance, has been distinctly improved in detail, particularly in so far as there has been provision for new defences, a new balance protecting the right of free speech. I wish to outline briefly for the House what those amendments in committee were which we accept. The amendments appear clearly on the copies of the bill reprinted as amended and reported by the Standing Committee on Justice and Legal Affairs.

The first amendment is found, of course, in the genocide section where the word "means" was substituted for the word "includes", in order to restrict the definition of genocide to the two particular acts that are set forth in the bill, namely, killing members of an identifiable group and "deliberately inflicting on the group conditions of life calculated to bring about its physical destruction." I think that restriction, that precision adds clarity to the bill and in so adding precision protects the position of a potential accused.

The next amendment relates to section 267B where the words "or contempt" found in the combination of words "hatred or contempt" were dropped from the formulation of the proposed new offence of publicly inciting hatred, and they were also dropped from the formulation of the proposed new offence of the wilful promotion of hatred in section 267B(2). The omission of the reference to contempt focuses the real emphasis of the bill on the dissemination of hatred, and the members of the Standing Committee on Justice and Legal Affairs were unanimously in favour of the removal of the reference to contempt.

I think those hon. members who have had training in the law are aware that the common law definition of libel has always been that type of statement which would tend to bring another person into hatred, ridicule or contempt. I know that the special committee under the chairmanship of Dean Cohen, when it presented its recommendations to the then Minister of Justice, the late Hon. Guy Favreau, recommended that the wilful promotion of hatred or contempt ought to constitute the offence, but the Standing Committee on Justice and Legal Affairs has now eliminated the words "or contempt" to make it quite clear that we are dealing with hate propaganda and hate literature, just as the Cohen committee recommended the elimination of the word "ridicule" with respect to the offence of the promotion of hatred.

The third amendment is found in new section 267B(2) dealing with the communication of statements "other than in private conversation." Those words are underlined in the copies of the bill now in the hands of hon. members. The communication of statements in private conversation has been excluded from the ambit of this particular offence. This amendment was moved by the hon. member

for York South (Mr. Lewis). I think that no civilized person would condone the wilful promotion of hatred against an identifiable group, no matter what form that promotion takes, but there is something to be said for leaving the condemnation of such conduct in private conversation to the ordinary social sanctions of the community rather than to the sanctions of the criminal law, and I am confident that the determination of what constitutes a private conversation can well be left to the sound sense of a judge and, in proceedings by indictment, a jury.

In section 267B hon. members will notice a new subsection 3. The defences provided under the original subsection 3 have been revised and an additional defence has been provided by paragraph (d). This entire subsection was proposed by the hon. member for Sault Ste. Marie (Mr. Murphy) and accepted, I believe, virtually unanimously by the committee.

There are two other substantial amendments. There is an addition of a new subsection, 267B(5), added to make it clear that the forfeiture provision in subsection 4 of this section does not apply to communication facilities. You can seize the telephone for the purposes of evidence, but you cannot seize the telephone merely because it has been used to communicate a statement. Finally, there was a technical change made in the *in rem* proceedings, as they are known, dealing with the seizure of property under section 267C(8) (c).

I think the House should review at this stage the defences that were added by the Standing Committee on Justice and Legal Affairs, and that were rendered more precise, because in analysing this bill those who oppose it have failed to illustrate and emphasize to the House the defences that are available to an individual citizen and his free exercise of speech. These defences are set out in section 267B(3), with regard to the offence of the wilful promotion of hatred. First, no person shall be convicted "if he establishes that the statements communicated were true." Further, no person shall be convicted "if, in good faith, he expressed or attempted to establish by argument an opinion upon a religious subject." Therefore, any bona fide, far-ranging expression of opinion on any religious subject is sufficient to take that statement outside the purview of this bill.

Mr. Woolliams: How would you establish the truth of a religious statement?

Mr. Turner (Ottawa-Carleton): Thirdly, no person shall be convicted "if the statements were relevant to any subject of public interest, the discussion of which was for the public benefit, and if on reasonable grounds he believed them to be true." If the statement were made in the course of debate or in the course of discussion the basis of which was for the public benefit because it involved discussion of public affairs, if it was a subject of public interest, if the statement were made in the reasonable belief that it was true even if it were not true, that amendment provides, as in an ordinary libel action, a complete defence to any prosecution under the offence of wilful promotion of hatred.

• (9:10 p.m.)

Finally, there was a new defence added at the instance of the hon. member for Sault Ste. Marie. If in good faith a person intended to point out, for the purpose of removal, matters producing or tending to produce feelings of hatred toward an identifiable group in Canada, if the purpose of the statement or communication was to attempt to persuade his fellow citizens to remove the cause of that hatred or dissension, he has a defence. The situation the hon. member for Calgary North was talking about in his speech this evening in defence of his own amendment is now eliminated, that argument having been made by members of the committee and now rendered needless by the addition of the fourth defence in paragraph (d). If the Indian population in Alberta, to which he referred, feels it has a grievance against the white man in Alberta or in Canada, if it states this grievance for the purpose of removing the reason for the grievance there is, I would submit, a defence under this subsection.

Then there is the added protection in those two offences relating to genocide in section 267A, and the wilful promotion of hatred in 267B(2), there is the precaution of requiring that no proceeding can be taken under either of those offences without the consent of the provincial Attorney General. That restriction is not placed upon the second offence of public incitement of hatred and contempt likely to lead to a breach of the peace. Where a breach of the peace is involved obviously you have a potential unlawful assembly or a potential riot, and you have no time to try to get the consent of the Attorney General of the province before making an arrest.

In the offence of advocating or promoting genocide, in the offence of the wilful promo-

tion of hatred by any statement other than private conversation, before prosecution can issue the consent of the Attorney General of the province is necessary. This means all vexation proceedings, mischievous proceedings, frivolous proceedings would not be available to a private citizen who wanted to undertake prosecution.

I know the hon. member for Calgary North has a certain suspicion of Attorneys General. He called them political animals, and it is true that in our country they tend to be members of a cabinet, as I am currently a member of the government of Canada and the Attorney General of Alberta is a member of the cabinet of Alberta. But I think the hon. member knows as well as I do that the tradition under the British parliamentary system is strong and firm on this particular point, that where an Attorney General is dealing with the administration of justice and criminal law he has to exercise his judgment on whether to initiate a prosecution or withdraw it on the basis of his own estimation and evaluation of the public interest. He cannot be bound by a decision of his cabinet, of the government to which he belongs. In fact, he should not be so bound, and if he is he can be subject to the condemnation of the House of Commons or the provincial legislature. It has happened. In the first Labour government in Great Britain the then Attorney General was suspected of having withdrawn a prosecution for political reasons. It provoked a crisis in the House of Commons at Westminster and the first Labour government fell. I believe that was in 1926.

Mr. Woolliams: Mr. Speaker, would the minister permit a question?

Mr. Turner (Ottawa-Carleton): Yes.

Mr. Woolliams: Mr. Speaker, I did not want to interrupt the minister so I let him finish. Maybe it was an unfortunate word to use, but he said that I was "suspicious" of Attorneys General and Ministers of Justice. I am not suspicious of them as a class or group; I only say that they are human beings. That is what I said. I know that the member for Calgary South (Mr. Mahoney) is always talking from his seat and not from his mouth, but the fact is that I am saying that as long as you have such men, whether he be Attorney General or in any other executive position he is subject to human behaviour. I know the Minister of Justice would want to be fair and say that there is no suggestion that I am suspicious or I am using any terms of his bill in reference to the position he holds.

Mr. Mahoney: Mr. Speaker, I rise on a question of privilege. I am sorry, but the hon. member's remarks were totally incomprehensible to me and I could not have interrupted him if I had wanted to.

Mr. Woolliams: That is understandable.

Mr. Mahoney: I did not do it. It was another member on this side who seemed to understand what he was saying.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I shall make no comment on the fratricide between the two members for Calgary. I may say, however, that I am glad the hon. member for Calgary North is not imputing that any Attorney General of this country, federal or provincial, would in any way use his office in the administration of justice for political motivation. That cannot be done; it would subject him to the censure of the House or the legislature. The principle was clearly set out in the House of Commons at Westminster by the then Attorney General, Sir Hartley Shawcross. This principle is still binding on the Attorney General at Westminster and I would consider myself so bound. The hon. member suggested we are human. If he can indicate to me any way of running a free society other than by human beings, I wish he would suggest it.

Mr. Woolliams: Mr. Speaker, I again rise on a point of privilege. We are governed by the rule of law and not by the rule of subject. The Minister of Justice, as a Rhodes scholar and legal man, ought to know that.

Mr. Turner (Ottawa-Carleton): I am not going to be misled by that sophistry and I am sure the House is not going to be misled by it. The rule of law has to be interpreted by human beings, and that is the only way it is going to be done.

Mr. Douglas (Nanaimo-Cowichan-The Islands): And applied by them.

Mr. Turner (Ottawa-Carleton): And applied by them, as the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has reminded me. The hon. member for Calgary North suggested in his speech that the present criminal law was adequate to cover the purposes of this bill. He cannot have it two ways: he cannot suggest the bill is unnecessary and yet pernicious. If it is unnecessary, the criminal law that currently applies must to his

mind be pernicious. If the law is presently inadequate, then his argument in these terms might have some value. I am suggesting to him that the terms of the present criminal law, as it has been interpreted to me by the advisers upon whom I rely, are inadequate to cover the purposes of this bill. I think I am supported in that by the conclusions drawn in by special committee under the chairmanship of Dean Cohen, which made those points.

I should like to refer the House briefly to the three offences. The first offence is that of advocating or promoting genocide. Existing criminal law in the Code prohibits homicide of an individual person. Whereas I suppose it is conceivable that one could have homicide of a group of people within the existing terms of the law, the bill deems it necessary to create a new offence of advocating or promoting genocide, because there is now no offence in the Code of advocating or promoting the homicide of a group of people. These are acts which are clearly not forbidden at present in the Criminal Code of Canada.

When one turns to the second offence of public incitement of hatred and contempt likely to lead to a breach of the peace, I am advised there is a gap in the law today which derives from the fact that it does not penalize the initiating party who incites to hatred and contempt with a likelihood of violence, whether or not intended and whether or not violence takes place.

An hon. member referred to the case of *Boucher v. the King,* (1950) 1st DLR at page 267. The burden of that case was that the protection of groups under the provisions of the criminal law extends only to certain situations where a prosecution can prove violence was intended, whether or not the violence was a likely result of the action. The law is based on intention not on a likelihood of result following cause, effect following cause. It is the intention which is considered to be the necessary element under the present law as interpreted by the Boucher case. This would be, to our mind, unduly restrictive as applied to public incitement of hatred.

• (9:20 p.m.)

I know of no case, Mr. Speaker, in which a court has convicted a person who used insulting language that resulted in a disturbance where there was no intention on the part of the speaker to provoke a breach of the peace. This is probably a good instance where, the policy of the bill having been decided on, it is much better and fairer for the legislators to say expressly what the offence is, rather than to debate the possibility that the conduct may already, and perhaps inadvertently, be proscribed.

The third offence, the wilful promotion of hatred, is, again, on the advice I have received, not covered within the present provisions of the Criminal Code. If you turn to those sections of the Code dealing with defamatory libel, commencing with section 248, you will see that there is no specific protection extended to groups. The committee had this to say on the subject:

> —the defining words in section 248 preclude any protection for groups—

The reason is, of course, that the defamatory libel must be against the person and not against a group of persons. It is the word "person" that is used in present section 248 of the Code. Of course, the members of a group are still protected as individuals against a libel in collective form, but to establish the publisher's liability it would be necessary for the prosecution to show that the libel exposed every member of the group individually to hatred, contempt or ridicule.

The committee also considered section 166 dealing with the publication of false statements likely to cause injury or mischief to a public interest, and section 315(1) penalizing the sending of false information with intent to injure or alarm. Both these sections, in the opinion of the committee, have only very limited application to hate propaganda, for two reasons: first, both require the Crown to prove that the libeller knows that the matter is false. Not only is this a heavy burden for the Crown to meet, but it is undoubtedly true that many purveyors of group libel are sick or misguided men who thoroughly believe in the truth of their statements. Second, both apparently apply only to straight matters of fact and would have no application to any matters of opinion. The committee concluded with these words:

> In sum then, it is evident that the Criminal Code, even on the widest interpretation, does little or nothing to protect groups from the evils of hate propaganda.

I know, Mr. Speaker, that there have been philosophic objections to this bill. I want to deal with them as my final point. The philosophic objection to this bill has predicated itself on a certain set of assumptions about the right of free speech in a democratic society. Accordingly, as the argument goes and as the bill's detractors say, the bill infringes on

free speech and arrests the freedom of expression so necessary to a democratic polity.

This kind of verbal gamesmanship is misleading and is based on three hidden but false assumptions. First, it suggests that the arguments in respect of the bill must resolve themselves in terms of whether one is for or against free speech—categorically for or categorically against free speech. Second, it suggests that the right of free speech is an absolute and unfettered right; and third, it questions the validity of the criminal sanction as an educative process. Let me deal with each of these assumptions which form the basis of the philosophic opposition to the bill.

First, I believe one's attitude toward this bill cannot, or should not depend on whether one is for or against free speech. I, of course, believe every hon. member of the House is in favour of free speech, freedom of expression and freedom of assembly. One's position respecting the bill cannot be construed as an automatic label of one's civil libertarian position. The hon. member for Winnipeg North (Mr. Orlikow) has spoken of civil libertarians who are against the bill, but he also spoke with equal authority and experience of civil libertarians who are in favour of the bill. There are respected libertarians who have argued on both sides of this particular piece of legislation. The question is not whether one is for or against free speech but, rather, what are the permissible limits on free speech; what are the permissible contours of freedom of speech and expression?

To put the question another way, to put it in absolute terms and say that if one is for the bill one is against freedom of speech, and if one is against the bill one is for freedom of speech, is to display a type of verbal sleight of hand, a type of verbal gamesmanship. It is what Professor Harold Lasswell of Yale law school has called "the cloud of normative ambiguity", because it derives the normative value by declaring that support of this legislation is tantamount to infringing on freedom of expression and is therefore anti-civil libertarian and even anti-democratic, rather than appreciating the morality of the behaviour being proscribed and the normative value of the principle being affirmed. The principle being affirmed is that no democratic process should oblige any of its members to subject themselves to verbal maiming or lethal language which cannot possibly have any intrinsic redeeming value or advantage, either in terms of freedom of speech or the democratic process.

There is a second false assumption on the part of those opposing this bill. I am not saying that the opposition to this bill is not sincere or is not well-founded. I am not being categorical and saying that the bill is a good or bad bill, because when we talk about the subtle balance between freedom of expression on the one hand and the abuse of that freedom by the dissemination of hatred on the other, no one can be absolutely sure or absolutely categorical that he is right. It is a question of value judgment; it is a question of feeling. I submit to Your Honour that the members of the government and the members of the committee who studied this bill tried to achieve a reasonable balance, a reasonable reconciliation, so that the conflicting legitimate interests of freedom of expression on the one hand and the protection of reputation and group identity on the other are balanced. This is a very difficult thing to achieve and we have tried to do our best.

We must realize that nowhere in our constitution and legal practice, and nowhere in our constitutional tradition is there any sanction of the concept of absolute liberty. There is no such thing as an absolute freedom of speech; there is no such thing as an absolute right of assembly. We are dealing with a right which we are trying to enhance without infringing on the rights and privileges of other people. If the hon. member for Calgary North says that the Bill of Rights is impliedly against this piece of legislation, I say that that argument is a bit of sophistry. True, the Bill of Rights talks in terms of freedom of expression, but there is nothing in the Bill of Rights that says there is an absolute freedom of expression.

There is nothing in the constitution of the United States to say that there is an absolute freedom of expression or freedom of assembly. Indeed, no democratic process, Mr. Speaker, could categorically licence any absolute rights—and the hon. member for Winnipeg North pointed out clearly the difference between a right and the abuse of that right by licence—without endangering the viability of the democratic process itself. The history of democratic society is the history of the balancing of legitimate interests and legitimate rights as between various members and classes of that society and between members of that society and the government by which they are governed.

The concept of absolute freedom is a perversion of the rule of law. It is the replacement of the rule of law by the rule of absolutism. The tradition of the enhancement and the enlargement of the right of freedom of expression—the hon. member for Calgary North cited some of the landmarks that have enhanced and enlarged the right of freedom of speech—is part of a parallel process whereby there have been placed at the same time necessary limitations and restrictions on the legitimacy of freedom of speech.

The criminal law of Canada, modelled upon the criminal law of England, authorizes freedom of speech but not in absolute terms. It does so within permissible contours, within permissible parameters. One need only refer to the present rules regarding defamation, blasphemy, sedition, libel or scurrilous material to appreciate the attempt, made throughout the history of Canada and under the rules of the common law, to draw boundaries between what is permissible and what is not permissible speech rather than to speak in terms of freedom of speech in absolute terms. From time immemorial there have been limitations on the freedom of speech and our laws of libel and slander are examples of this.

• (9:30 p.m.)

We are merely broadening, in the main purview of this bill, the law of libel and slander to include group libel and group slander. I have no right to defame my neighbour's reputation. There must be no right to promote the hatred of people on the basis of race or religion, the hatred of people who are distinguishable by colour or by their ethnic origin, let alone advocate their total annihilation or advocate genocide. No democratic process worthy of its name can licence the advocacy of genocide in the name of the democratic process itself. No claim to freedom of speech can legitimate the incitement of racial hatred and condone the breakdown of social order in the name of free speech.

Finally, Mr. Speaker, one must reject the charge that this legislation involves an invalid use of the criminal sanction. Such an objection not only fails, in my submission, to appreciate the intrinsic value of this legislation in respect of outlawing hate propaganda itself, but ignores the educational value of the legal process in general and the criminal sanction in particular. The measure of our laws, it has been said, is the measure of our civilization. If we are to have justice in society, then we must begin with just laws. Nowhere is this more important than in the realm of criminal law. It is here that the most fundamental values of life, liberty and dignity are to be protected and sanctioned, and it is here that the measure of our commitment to these values will be tested.

I do not consider the criminal law to be just an agency of social control. I do not consider it to be merely what Herbert Packer called the controlled use of power in society. I consider it to be a set of articulated values by which civilized men tend to regulate their lives and measure their society. That being so, this law will represent part of those articulated values by which we tend to regulate our conduct as free citizens in Canada.

This law is not just a technical body of rules. It tends within the conduct that is prescribed to articulate the values by which we Canadians seek to live. The criminal law is not merely a sanction or control process. It is reflective and declaratory of the moral sense of a community and the total integrity of a community. It seeks not merely to proscribe, but to educate. It seeks to set forth a threshold of tolerance and standards of minimum order and decency.

I echo what many members have said in committee and in this House. One cannot legislate a community to love or even eradicate by legislation the promotion of feelings of hatred. But one can control certain kinds of public hate dissemination and hate activity. One can put this country on record as declaring that the conscience of the Canadian community will not tolerate that kind of activity. One can put the Canadian community on record as subscribing to the international conventions, which other hon. members have referred to, under the auspices of the United Nations.

What this bill hopes and seeks to articulate is that we condemn the social evil of the deliberate, wilful dissemination of racial hatred in this country and elsewhere. We consider it to be a poison in a civilized society. We consider it to be contrary to the collective moral sense and total integrity of the Canadian community. We consider in the global village in which we are living, which is almost claustrophobic, that the exploitation of hostility in man and the skilful promotion of hatred must be combatted. As such, in its ultimate sense the criminal law sanction, and in this context the bill outlawing the dissemination of hate—and I make no prediction as

to how successful this legislation is going to be; I would be a fool to try to do it and so would any other member—is a conscientious attempt on the part of the government, and I hope of Parliament itself, to outlaw as an articulation of the total integrity of the Canadian community the dissemination of hate in this country and throughout the world, proclaiming our commitment to humanity, humanism and to the rule of law.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, one would think from the eloquent words of the Minister of Justice (Mr. Turner) that feuding, fighting, fussing and inciting to hatred, ridicule, contempt and the like were rampant in the streets of the global village. This measure has been before the other place for two sessions and before us for this session. I have yet to hear any discussions regarding any instances where the thoughts embodies in the bill have any particular application to this country. I am serious: I have yet to hear where it has any application to this country.

I know we receive in our mailboxes publications from the two opposing sides dealing with events that are taking place 5,000 miles to the east. I suppose those reports that we receive are the communication of statements which are supposed to incite our hatred of an identifiable group which is likely to lead to a breach of the peace, yet I have not heard of these groups seriously coming to blows with each other. I have not heard that these publications, which might be deemed to wilfully promote hatred, have led to any serious disturbance in Canada. They probably led to a discussion or some process of thoughts in our own minds as to whether we should take one side or the other or, sensibly as Canadians, we should try to find a mutual way to resolve a dispute in some other part of the world that, if not resolved, could lead us into disaster. In short, propound with regard to Bill C-3 what I call the Hatfield and McCoy theory, that we have not seen that feud transferred to Canada. If we are not using atomic weapons, we are using a great deal of parliamentary puff to try to dispel things that largely do not exist. For that reason, Mr. Speaker, I am very sceptical. It remains to be proven to me during this debate that the exercise we are going through is meaningful.

I can agree with the first part of the formula in Bill C-3 without any difficulty. I think it should probably be passed in about five minutes without anybody giving too much attention to it. I do not think anyone in Canada would advocate or promote genocide. However, if a person, short of the lunatic stage, is inclined to promote genocide in Canada, we must deal with him or her promptly. I have my doubts about the purpose of Bill C-3. I know it is the pet child of the Prime Minister (Mr. Trudeau). The foundling has found its way into the lap of the Minister of Justice. The hon. gentleman is doing the best he can with it. He very properly raised it for a parliamentary blessing, but still I have my doubts.

• (9:40 p.m.)

This seems to be a bill dealing with thought. It is really an attempt to exercise control over the process of thought, imposing criminal sanctions against thought rather than against action. Most of our Criminal Code deals with actions by one person against another. But look at what is contained here in section 267B: the key words are "communicating statements which incite hatred against any identifiable group where such incitement is likely to lead to a breach of the peace." First, one has to assess what is meant by the communication of a statement and then somebody has to decide whether the mere fact of such a communication is an incitement to violent action. Finally, one has to determine whether it is likely to lead to a breach of the peace.

Outside this chamber we have all been subjected in the last year to an unusual number of jokes dealing with Newfoundlanders. To most of us who do not have the benefit of coming from that island they may seem very funny. Even if we are close to it, they may seem funny. Though I have never seen a Newfoundlander take exception to these jokes, they may seem less amusing to those directly concerned.

At one time the vogue was for Polish stories. Then it was Italian stories, or Indian stories, or black stories, or something. Is this sort of thing a communication of hatred, or ridicule, or contempt? Is it something designed to bring about a donnybrook? Is it something designed to bring about a belly-laugh? I suppose it would depend upon the circumstances—whether one told the story in a pub in St. John's at midnight or whether one told it somewhere in Alberta. Do we, by telling these stories, communicate hatred, ridicule or contempt? What happens when people tell these strories against themselves? I suggest a jury could look at such statements

and reach entirely different conclusions in different parts of Canada.

Perhaps I have belaboured this point more than it should be belaboured. The point I am trying to make is that a thought expressed in one part of Canada might be taken to mean something entirely different in another part of Canada. This is why it is dangerous to attempt to deal, as I think this bill does, with what would essentially be thought-crimes. A person expressing a certain opinion may well do so for reasons which have nothing to do with inciting a breach of the peace. He may have said those things with his tongue in his cheek. Yet the result could still be a donnybrook, it could be a belly-laugh, or it could merely lead to people saying, "Go away. Don't disturb us with that kind of nonsense. We know you are full of hot air." This is what any of these so-called crimes could, in effect, amount to, depending on the circumstances of utterance. For example, what is said over television today or on the radio today produces an effect far different from that which have been produced by the same statements a hundred years ago. This is why we must proceed very carefully when we deal with the sort of crimes we are trying to establish under 267B. I realize the Attorney General will have to give consent before a prosecution is allowed, but an Attorney General in one part of Canada may have a conception of what constitutes social rectitude entirely different from that held by his counterpart in another province.

Reduced to its essentials, the bill is really dealing not with defamation, libel or slander as between individuals, but with defamation, libel or slander as between classes. It affords an opportunity for one minority group to say that another minority group is out to get it, or it provides an opportunity for a majority group to complain about a minority group, or for a minority group to complain about majority groups.

Perhaps I am especially sensitive to this issue because recently in Halifax we were visted by an encounter team, experts from outside in sociology, psychology, racial relationships and the like, who turned our community inside out, if I may use that phrase. They examined everything. They lifted the lids from our ids. They wanted to see what made the Halifax area tick—how the black people got along with the white people, and vice versa. They criticized all our methods of government and, in short, they examined everything that could be put out publicly on the line. In addition, there was the question of the appointment of a city manager.

The gentleman who was chosen by the Halifax city council came from Oklahoma City. At one time he was engaged in labour relations with a certain union. All did not go well, I gather, in his dealings with that union, so people who resented the loss of a victory, in other words, the defeat of the labour union, were quick to telephone Halifax and suggest that the man chosen by the city council to be the city manager was a racist. I think this is germane to the bill, because what happened next was that certain people drew ranks together, just as any rallying crowd would do. There was a tremendous fuss at city hall and the man withdrew his candidacy for city manager of the city that I, along with the Leader of the Opposition (Mr. Stanfield), represent in Parliament.

• (9:50 p.m.)

Mind you, Mr. Speaker, this happened without the man's true nature being known to the people of Halifax, without there being one word in the charge being made against him of racism, or implied racism—a pretty serious charge if proven. He might have his remedy in the courts, I do not know; but he will have his remedy in public opinion when at some time or other people have the chance to dig out the facts and find out what it was all about. As for the job itself, his salary would have been an increase over what he received in Oklahoma City, and this he will not have thanks to a few who were able to raise the cry of hatred against him. Knowing this man's circumstances and his plight, I sympathize with him. I think he was kicked like a dog and never had his day in regard to public opinion as a result of the vapid thinking of a racist, rallying group, a small minority that nevertheless had its way in my own city.

Despite this, I do not think I could espouse the principle that is contained in a bill such as this. I do not think you can settle a miserable battle in this way, where one man's thoughts or one group's thoughts communicate statements that incite hatred or wilfully promote hatred against another person or another identifiable group. I do not think this situation can be solved by criminal action. You cannot solve this kind of miserable battle in court; it cannot be done in that way.

The only way you can solve battles like this, I think, is to dredge the slugs, the people who espouse hatred or contempt of others,

out from under the rocks and hold them up high where the public can look at them and ask questions. I think essentially they are suffering from sick or misguided minds; perhaps they have infantile minds and are not able to see the whole world as it exists but rather see only their own small part of it.

Every member of the House has received letters in his mailbox, as I have in mine, from someone who dislikes French Canada, from others who dislike English Canada, letters complaining that the Indians are not getting a good break, that the blacks are being hounded, that the WASPs are an ugly bunch, and so on and so forth. We all receive letters like this. If they are all put together, what they add up to is that just about everybody in Canada is a person who should be hated, who should be the object of ridicule and contempt.

This is the way life is. I do not see how we solve these things by having a few brisk court cases—miserable battles, as I called them earlier. I think we are better off having the full spotlight focused upon these situations in a democratic country. These things should be explored in the newspapers, on television and radio. Let us talk about them in Parliament, though perhaps the most distasteful debates that take place in this House are those that deal with human rights. It is always difficult in a political forum to deal with such issues. For example, a few years ago I do not think I made any great contribution to the debate on the Bill of Rights. I went back to it, and this is one of the items I wish I had not talked about, because I think I had some political motivation in getting after certain of my friends who now sit to my left.

Be that as it may, I think it is public discussion and public spotlighting that provides a better answer. The light of truth can be made to shine. People who have to lurk in small corners with their own small prejudices, their own small hates and their own small contempts can be made to live harmlessly from the rest of us. So, Mr. Speaker, unless I am persuaded very much otherwise during the debate tomorrow, I am afraid I cannot accept the principles contained within section 267B (1) and 267B (2), and will support the amendment proposed by the hon. member for Calgary North (Mr. Woolliams).

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, in the course of his speech the hon. member for Calgary North (Mr. Woolliams) inferred that Bill C-3 is designed for election purposes. I believe he has missed the point. The bill before the House is designed to protect minorities, not majorities. Surely this is not a narrow, electioneering purpose. The hon. member has, of course, had little opportunity in recent years to acquire an accurate understanding of majority opinion. He and his party are obviously out of touch with majority opinion in Canada. We are dealing with the dignity of man, and we intend to protect the victims of slanderous prejudice in modern Canadian society. If we pass wise and just laws, we are far more likely to be re-elected than if we retreat and shrink from laws which dignify man in Canadian society.

In speaking against the amendment, I believe that should the amendment pass we would eliminate the direct causes of genocide by criminal restraint. I believe that the House has the courage and the strength actively to prevent abusive, prejudicial expressions of hatred against identifiable minority groups. We agreed through action at the United Nations to take steps to eliminate racial prejudice. This we said and this we shall do. This is why we are here today. We are in the act of doing what is required to equalize the rights of those minority groups, thus giving them the protection they deserve. The high standard set by Canadian justice will be reached by goals such as those contained within the bill. Prejudice will be thwarted by law and by education.

May I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

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

POST OFFICE—MONTREAL POSTAL DISPUTE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on March 6, not knowing at the time that I was so prophetic in the import of my question, I asked the Postmaster General (Mr. Kierans), as reported at page 4469 of *Hansard*:

> —what other minister or ministers will now be assigned the duty of bringing about a solution to the prolonged postal dispute in Montreal?

Alas, sir, that prolonged dispute is still facing the country, and the acerbity of the problem has not diminished. Although I asked the question on March 6, the problem began much earlier, on February 3. To say that the Postmaster General is disaster prone is to use

an euphemism. There has been more trouble, more divisiveness and more unrest than in any equal period of any of his predecessors since the great Sir John A. Macdonald occupied the post for one day over 100 years ago.

• (10:00 p.m.)

One of the kindest things one could say is that the hon. gentleman is a trouble-prone Postmaster General. In this, the most brittle and most bitter of disputes, the government has moved to bail him out and share with him the responsibility for the brittleness, ineptitude, harshness of attitude and lack of perception of the problems. The Minister of Labour (Mr. Mackasey) today is, unique among the cabinet ministers, away in the cool waters of the Azores. The Minister of Regional Economic Expansion (Mr. Marchand) is not with us. What he thinks I am not able to divine, but I have my suspicions.

So after many, many weeks of faltering, inadequate or non-service we have an eleventh hour effort to bail out the government and an urgent last minute summons to a man heretofore with an unblemished record, Mr. Goldenberg. Yet this man's report is anything but a paean of praise for the Postmaster General. Indeed, it looks like a carefully documented denunciation and denigration of that hon. gentleman whose activities as Postmaster General some of us have questioned rather stringently and severely in these past many months. Almost, sir, it is as harsh as the denunciation of Mr. Martin of the Public Service Commission some months ago. Significant among the comments of Mr. Goldenberg is that in respect of the moral responsibility of the government in its role as employer. I submit in all the tangled web of uncertainty and misunderstanding that the role of the government as an employer is the very, very significant question we as legislators must face.

Surely the government should be pre-eminent in the realm of labour-management relations and should as an employer be above reproach. But it would be a reckless man who would suggest that in this tangled web of uncertainty, of deception and of regrettable faltering the government has been above reproach. I will pass by quickly Commissioner Goldenberg's comment upon the substitution of the six-day week for the five-day week, a matter upon which many of us have commented, lo these many months, to no avail. But after months of inefficiency, ineptitude and internecine conflict the Post Office has reached a state of paralysis or worse in the most important receiving and distributing centre in our whole nation, namely, the city of Montreal. The failure to give good service to the Canadian people is appalling; but it is something to which the Canadian people should have grown accustomed. But the fact that bad service is tolerable cannot pardon the government for providing no service.

If I had time in these seven minutes I would quote from the illustrious paper, the Ottawa *Citizen*, the lead editorial which is capitalized "A Catalogue of Blunders." In considering everything, I ask how many more privations the Canadian public must endure in this unseemly conflict between an arrogant Postmaster General and a legitimate union. I am not going to talk about the reported turbulence in the cabinet which it would seem is even more disturbing than the turbulence in some areas of the postal service. It is not my purpose to seek to pry into the workings of the Privy Council to ask who is on slippery slopes or in cold water, but I ask: Are we to punish hundreds of decent, honourable workers who have served the mail service well, in order to follow a certain formula acceptable to a minister or to this government which is not acceptable to the union or to a majority of the cabinet?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, in answering the question of the hon. member may I say that it is indeed a privilege for me to say what I think should be said, and I intend to make my remarks in less than the two minutes allowed me. First of all I should like to correct some insinuations which the member made. If the Minister of Labour (Mr. Mackasey) is in the Azores, his wonderful record of accomplishments entitles him to this trip which is well earned. Regarding the Minister of Energy, Mines and Resources (Mr. Greene), let me say that he is not in the Azores because I had supper with him tonight in the parliamentary restaurant.

Mr. Knowles (Winnipeg North Centre): Did he deserve that?

Mr. Whelan: If the rest of the comments made by the hon. member are as inaccurate as those I mentioned, I do not know what I can say to help him. The minister has inherited a department that has been long neglected by other governments. The government of which the hon. gentleman was a member did not do anything to try to improve postal services or the long-forgotten department.

Mr. McCleave: We did deliver the mail, though.

Mr. Whelan: Anyone who accepts a challenge to improve a department which has been neglected for so long is bound to run into conflict. If he is determined to make it work, reaction of every kind will certainly rear its head, and anyone who has studied the history of the Post Office Department, as I am sure the hon. member has, will realize that this is true. This department has long been due for an overhaul. When one checks the record of the minister and his background, one certainly notes his ability. I am sure that all members of the House recognize the minister's ability to work and to solve the tremendous problems faced by the Post Office Department. He has the necessary experience and knowledge, and he needs the backing of every member of this Parliament to ensure that the problems with which the Post Office Department is confronted are solved in a satisfactory manner.

I understand that today a new offer has been made to the postal workers in the Montreal area who are involved in the strife that is now going on there. The offer has been announced in a press release, but no details were given. We all have to wait until tomorrow to find what they are, and let us hope that by tomorrow the difficulty will be settled in an amicable fashion for the benefit of all those concerned with the postal services in Canada.

CONSUMER AFFAIRS—ACTION RESPECTING NON-RETURNABLE BOTTLES

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, on March 12 I asked the Minister of Consumer and Corporate Affairs (Mr. Basford) what plans he had to protect the consumer from a growing pollution menace, that of non-returnable bottles. This is a completely unnecessary evil thrust upon the long suffering consumer by the glass industry. Always on the lookout for expanding markets, they have seized upon the one-trip bottle as the glass industry's bonanza, regardless of the added cost to the consumer, regardless of the danger of broken glass on playgrounds, streets and highways, regardless of the unsightly litter of disgarded bottles everywhere and the difficulties and expense to municipalities of cleaning up the mess.

• (10:10 p.m.)

Such callous disregard for consumer interests has begun to stir community groups into action. Organizations such as the Consumer Association of Canada, the Canadian Federation of Mayors and Municipalities, the Home and School Association, known in some parts of Canada as the Parent-Teacher Federation, and other large organizations have protested vigorously at their national conventions and have demanded action—so far in vain.

More recently the minister of highways of the province of Alberta declared that unless the federal Department of Consumer and Corporate Affairs places a ban on non-returnable bottles, the highways ministers of all ten provinces will discuss ways and means of dealing with this problem. Still more recently the province of British Columbia passed Bill No. 33, the litter Act, section 3 of which reads:

> No person shall sell or offer for sale beer, ale, carbonated beverages or drinks in a glass, plastic, or metal container for consumption or use off the premises of which they are sold or offered for sale unless the person undertakes to refund to the purchaser on delivery up of the container the sum of not less than two cents for each container.

This is the sort of legislation we need federally. At the beginning of the tourist season we scarcely need to be reminded of the vast quantities of soft drinks and their containers that will be bought this summer. Will this mean pleasure all around, or will it mean momentary pleasure for the individual and long drawn-out, pain-in-the-neck pollution for the community? Surely we have had enough of pollution without letting this kind of pollution proliferate in the way it is doing. It is up to the Minister of Consumer and Corporate Affairs; let him ban the one-trip bottle now; let him find ways and means of doing it.

In the days gone by the minister might have been tempted to shelve such action by saying it was strictly provincial in scope. But after the answer he gave through his parliamentary secretary to my colleague, the hon. member for Waterloo (Mr. Saltsman), on October 3, 1968, no such escape is possible. On that occasion his parliamentary secretary said—I am glad the parliamentary secretary is in the chamber tonight—as follows:

> However, Mr. Speaker, in line with the minister's duty to promote and encourage the institution of practices tending to improve protection of the Canadian consumer and to co-operate with provincial governments or their agencies, or with private groups, the minister will be having further talks with his officials and will consider the question of non-returnable bottles, with a view to formulating some type of regulation.
>
> After these departmental talks, it is intended to invite representatives of the manufacturers, the user and the retail distributors of these bottles to

Ottawa to discuss the problems and all proposals, as well as ascertain from these people what they intend to do relative to the problem mentioned by the hon. member.

I repeat that that was on October 3, 1968. After 18 months, Mr. Speaker, we are still waiting to hear the result of these talks, formulations, invitations, discussions, ascertainments, intentions—I take all that language from the reply—and what-nots, and that last expression is my own, on non-returnable bottles, which is the problem we are talking about.

Non-returnable bottles are to be found everywhere. The retailer does not care what happens after the sale is made. The empties will be found in householder garbage cans, in parks, rivers and lakes, on lawns, streets, in roadside ditches and even in grain fields. Some of us remember the Russian wheat deal and how the Russians could not handle the grain because of the broken-bottle litter in it. How about watching out for our export trade, because it is important. Non-returnable bottles can be a great factor in making more accidents possible, and damage and injuries greater. Death can be accelerated by contact with broken glass carelessly thrown in a ditch after a minor car accident.

After all these prolonged negotiations we are waiting to hear what the minister has come up with, after he has invited the provinces, the glass people, the consumers and the retailers and everybody else to Ottawa to do all this discussing. Surely after 18 months he is beginning to come up with something to protect the consumer. Pollution is a thorny problem with many ugly angles. Few are uglier or more unsightly than the broken glass which wastes our resources, endangers our children and infests our landscape. Again I ask the minister, what plans has he to deal with this pollution menace?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, on behalf of the Minister of Consumer and Corporate Affairs (Mr. Basford) I would first like to assure all hon. members of the House that the department is not only concerned about the problem of non-returnable bottles but also is giving this problem very urgent consideration. In particular, the department is now looking into standards for containers. In general, I should like to say that we are very much aware of at least two major problems presented by non-returnable bottles, the problem of litter and the problem of safety.

It has been suggested frequently that the federal government ban the sale of beverages in non-returnable bottles. I should like to emphasize that the federal Parliament has jurisdiction only over that part of trade and commerce which is interprovincial or international. Since soft drinks and beer enter interprovincial trade rarely, if at all, any action by the federal Parliament would be ineffective in dealing with the problem. Any legislation to ban the sale of beverages in disposable bottles would have to be passed by the provincial legislatures.

Non-returnable bottles are only one cause of the litter created by containers. Legislation to prevent the use of non-returnable bottles would be only a partial remedy. The hon. member has already mentioned the Litter Act which was introduced into the legislature of British Columbia and which will be under the jurisdiction of the Minister of Recreation and Conservation. I should like to commend the government of British Columbia for introducing such a bill, one which defines litter by including rubbish, garbage, waste material, containers, packages, bottles, cans or parts thereof. The hon. member has already mentioned section 3, about the refund that should be made to the purchaser, and other sections of this act. It is one which I believe should be commended to all provinces of Canada, Mr. Speaker. This bill will require that all containers for beverages be returnable and will prohibit the littering of waters and lands, the spoiling and fouling of waters and adjacent land.

Mr. Speaker, this is all I can say at the present time, but I have made note of the representations made by the hon. member and I should like to assure her that I will bring this matter to the attention of the minister.

CRIMINAL CODE—PROCLAMATION OF REMAINDER OF AMENDMENTS RESPECTING BREATHALYZER

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the decision of Mr. Justice Craig Munroe with regard to the rather unique method by which the government proclaimed the breathalyzer provision of the amendments to the Criminal Code was not the first time this matter had been raised publicly. On January 15, in this House of Commons, at page 2464 of *Hansard*, at just about this time of day I said:

I note that it has been accepted over the years that certain sections of acts can be proclaimed, and indeed have been proclaimed, without the whole

body of the act being proclaimed at one time. But I have never heard of a package within an act being proclaimed and little snippets and pieces of that package being cut out and held up until a future proclamation.

My understanding that this was a very unusual course was reinforced when I spoke to two members of the class of 1940 in the House, the right hon. member for Prince Albert (Mr. Diefenbaker) and the hon. member for Winnipeg North Centre (Mr. Knowles). In their vast parliamentary experience—and nobody is their equal in that regard—they could not recall such a course being adopted.

I made that statement then, nobody has challenged me since, and I stand by it. I think on behalf of Parliament a big vote of thanks is due Mr. Justice Craig Munroe for doing what we should be able to do but find ourselves powerless to do once the government acts in such an unusual fashion.

• (10:20 p.m.)

When the matter of the approved container for the breathalyzer section of the Code was dealt with—and this is what we are dealing with here, the removal from proclamation of three parts of the amendments to the Criminal Code which deal with this very essential right of an accused—a question was asked by the hon. member for Timiskaming (Mr. Peters) of the Minister of Justice (Mr. Turner) on March 18, 1969, with respect to the proclamation. This is when the matter was before the Standing Committee on Justice and Legal Affairs. The following exchange is reported at page 476 of Minutes of Proceedings and Evidence No. 11 of that committee:

Mr. Turner (Ottawa-Carleton): ...We do not have a suitable container yet developed....That is the problem Mr. Hogarth was talking about and that is why we have to delay the proclamation.

Mr. Peters: Well, Mr. Chairman, how can you approve it when you have not decided on one.

Mr. Turner (Ottawa-Carleton): That is right. Until we find one we will not proclaim it.

Most or all the members of the Justice and Legal Affairs Committee took that exchange to mean that the minister would not proclaim the entire .08 package of the law until the approved container was found. I have been reinforced in that view by talking to hon. members, who have given me this opinion privately. Perhaps I should quote one hon. member who has given his opinion publicly. I wish to quote from an article in today's Montreal *Gazette,* by Gordon Pape. At page 7 of the newspaper the hon. member for Peel South (Mr. Chappell), a government supporter, is written about in these terms:

[Mr. McCleave.]

Mr. Chappell charged that the law as proclaimed "completely defeats the spirit of the act." He said it had never been Parliament's intention "that the penalties would pass into law but not the safeguards."

I return to the essential point. When the Standing Committee of the House on Justice and Legal Affairs gave its approval to the bill to amend the Criminal Code—and the bill was a general package which included various provisions—it was our feeling that the whole of this particular amendment to the Criminal Code, the whole provision dealing with the .08 per cent blood alcohol level and the breathalyzer, would come into force and effect at one time. We were surprised when the minister and the government adopted the course taken. We are pleased that the court has seen fit to chide them for their action. I wish to quote one more passage from today's Ottawa *Journal.* The editorial page reads in part:

The government was three times warned in Parliament about this discrepancy by Conservative Robert McCleave but Justice Minister Turner assured the Commons the accused's human rights were already protected. And so they may be.

But it is clear that neither the judge nor Canadian public opinion is against the breath test. The judge suggests only that the governement did not take pains to see that its laws are not only sensible but framed and processed within the law.

I think these things are better on record, Mr. Speaker, because I have seen the Minister of Justice, who seems to be a white haired boy among certain elements of the so-called national press, quoted without anybody ever trying to look back at the committee report to see what really was done or intended then. It is time, for example, that Mr. Burns of the Toronto *Globe and Mail* at least got the facts in order.

[*Translation*]

Mr. Jean Charles Cantin (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I am happy to avail myself of this opportunity to correct some assertions made today by some opposition members concerning the Minister of Justice (Mr. Turner).

All those who know about his fairness, his broadness of mind and his sense of justice will recognize that the Minister of Justice had warned the House that this section would not be passed until the equipment for making the test and communicating its results to the accused was available.

Besides, the hon. member should have mentioned the statement made by the Minister of Justice before the Committee on Justice and Legal Affairs. As reported at page 459 of the Minutes of Proceedings and Evidence of the committee, the minister stated, and I quote:

> You and I have talked privately about this. At the moment there is no fool proof sample procedure available. I will give an undertaking to the Committee that we will not proclaim this section until we have one available, but we think we ought to have it. We ought to have the section ready if we can get a proper sample procedure approved.

I feel that quotation is quite clear. It covers the whole section and the cabinet intends to act accordingly.

In addition, I wonder if this is really the time to discuss that matter, since the Minister of Justice has just said that the whole matter will be deferred to the highest court of justice in Canada. I feel that we should wait for the decision of that court.

[*English*]

Motion agreed to and the House adjourned at 10.28 p.m.

HOUSE OF COMMONS

Tuesday, April 7, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

TRANSPORT

TABLING OF CORRESPONDENCE WITH HUMBLE OIL COMPANY CONCERNING SECOND VOYAGE OF "MANHATTAN"

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am taking the first opportunity to fulfil my earlier undertaking to table the exchange of correspondence between the Department of Transport and the Humble Oil Company relative to the voyage of the *Manhattan*.

ORAL QUESTION PERIOD

POLLUTION

ESTABLISHMENT OF STANDARDS FOR AUTOMOBILES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to address a question to the Minister of Transport concerning the manufacture and importation of automobiles and the matter of pollution about which there is great concern because of health and other reasons. Is it the intention of the government to establish standards governing pollutants emanating from automobiles and, if so, will this be done at an early date?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the highway safety bill which was given royal assent on the last day before adjournment gives us the authority to set standards for automobile exhaust systems. These standards are now being drawn up and it is our hope that the necessary hearings will have been held in time for the systems to be installed on automobiles for the current year, that is, the 1971 models.

Mr. Stanfield: A supplementary question, Mr. Speaker. Will these regulations be substantially the same as those that are evidently being promulgated or prepared in the United States?

Mr. Jamieson: I am afraid I am not in a position to answer that technical question specifically, Mr. Speaker. We will draw up the best standards, taking into account all studies that have been undertaken both in the United States and Canada, and I shall be glad to make the facts known as soon as the standards have been drawn.

Mr. Stanfield: A further supplementary question. Is it intended to impose these standards upon all imported automobiles as well as those manufactured within the terms of the automobile agreement?

Mr. Jamieson: Yes, Mr. Speaker. The highway safety bill provides that the same standards will apply not only to automobiles manufactured in Canada but to those imported from anywhere in the world.

Mr. J. H. Horner (Crowfoot): I should like to direct a supplementary question to the Minister of Transport. Is any research being done in Canada into the concept of removing the lead component from gasoline and substituting a gasoline derived from grain, which would greatly reduce pollution? This is being seriously studied in the United States. Is Canada doing any research in this connection inasmuch as, if successful, it would greatly reduce the pollution from automobiles?

Mr. Jamieson: Yes, Mr. Speaker, that type of research is going on and we have a full exchange of information with the counterpart agency in the United States.

HIGHWAY SAFETY

ESTABLISHMENT OF STANDARDS FOR AUTOMOBILES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Transport whether research is being conducted into the question of what additional safety measures ought to be imposed with regard to automobiles operating under our climatic conditions? Is the minister simply following the research and the standards being established in the United States or is serious research being done in order to relate our standards to our conditions, particularly with regard to winter driving?

Inquiries of the Ministry

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, there is research with regard to winter driving and an effort is under way now to determine if it is feasible for us to introduce special safety standards having to do with such things as rear window defrosting.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. In view of the statement made yesterday in Montreal by Mr. Ralph Nader, the highly respected American critic of auto safety, that American cars stand up better in accident testing than Canadian-made automobiles, will the minister look into that in order to see to it that Canadian cars are built with all the safety factors they should have?

Mr. Jamieson: Yes, Mr. Speaker. I am at a loss to understand the question since many of the so-called United States-made automobiles driven in the United States which appear to be safer are actually made in Canada.

Mr. Knowles (Winnipeg North Centre): And they are a lot cheaper there than they are here.

EXTERNAL AFFAIRS

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the absence of the Secretary of State for External Affairs may I direct my question either to the Prime Minister or to the Acting Secretary of State for External Affairs. Word has just come over the radio that the United States government has authorized the transportation of large quantities of nerve gas from Okinawa to Oregon via the Strait of Juan de Fuca and Bangor, Washington. I have raised this matter several times in the House with the Secretary of State for External Affairs and asked him to look into it and urge the United States government to detoxicize this material before it is transported. Can he give us any information, first of all, whether the shipments are actually to take place and whether any steps are being taken to safeguard Canadian waters in the event of a mishap during this transportation process?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member might consider asking his question tomorrow when the Secretary of State for External Affairs will be answering questions.

[Mr. Stanfield.]

An hon. Member: When will someone answer on behalf of the Department of Agriculture?

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I did not know that we now have selective answering. This is a matter of deep concern. Is the Prime Minister aware whether the Canadian government made representations to the United States government with reference to this 8,000 or 10,000 tons of lethal gas? Did the Canadian government consent to the shipment of this gas which is greatly feared by the people of British Columbia adjacent to the strait? Did the Canadian government consent to this movement, because some months ago it was said that before shipments were made Canada would have to consent?

Mr. Trudeau: Mr. Speaker, it seems to me that the right hon. gentleman's question deals with the same subject as the previous question; therefore my answer remains the same.

Mr. Diefenbaker: Does the Prime Minister not know what is going on internationally? The answer is no.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, this question goes beyond the scope of the Department of External Affairs. This is a matter which could possibly involve the safety and welfare of people on the Pacific coast. I was not directing my question solely to the Secretary of State for External Affairs. I ask the Prime Minister if he, as the head of the government of this country, has any information regarding this matter. Have any representations been made or are any going to be made by the government of Canada to make sure that Canadian safety will be kept in mind during the period of transportation?

Mr. Trudeau: Mr. Speaker, I am trying to convey to the opposition that this is not a one-man government and that there are other ministers in it.

Some hon. Members: Oh, oh!

Mr. Hees: Why does the Prime Minister not practise what he preaches.

Mr. Baldwin: It is no government.

Some hon. Members: Oh, oh!

Mr. Hees: It is a one-man government.

An hon. Member: You mean, it is a one-man opposition.

Mr. Speaker: May we have order, please.

[*Translation*]

NATIONAL SECURITY

SHERBROOKE—REQUEST FOR INQUIRY INTO ALLEGED SUBVERSIVE PUBLICATION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Prime Minister.

This afternoon I received from a citizen of Sherbrooke a copy of a small magazine *L'Estrien Rouge* which is supposed to be the organ of the Sherbrooke student movement. This newspaper which is obviously communist calls traitors the members for Papineau and Sherbrooke (Messrs. Ouellet and Gervais) and I quote the following excerpt:

> The attitude of the traitors Ouellet and Gervais, representatives of colonialists, shows that only the power of the people could drive them out of Quebec.

Consequently, I would like to ask the Prime Minister whether he is aware of the existence of that magazine. In addition, is the RCMP investigating its distribution in Sherbrooke and elsewhere, because it is a clear case of subversion, and is the Prime Minister able to indicate whether measures are taken to ban the distribution of the magazine in the province of Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, to the first part of the question, I must answer that since, unfortunately, I do not have the time to read the excellent magazines that are published in the country, I cannot pay any attention to such cheap literature.

I cannot answer the second part of the question. I shall get in touch with the Solicitor General and if an investigation on that kind of publication is really necessary, I am sure he will be glad to report to the member.

[*English*]

POST OFFICE

MONTREAL POSTAL DISPUTE—POSITION OF FORMER LAPALME EMPLOYEES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I wish to direct a question to the President of the Treasury Board. I am surprised he did not make a statement on motions today about the Montreal postal issue. I understand he did issue a press release. Can the minister advise if he has now found a solution to the long-standing Montreal postal dispute and, if so, what is it?

Inquiries of the Ministry

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, a very generous offer was made by the government to the representatives of the employees of G. Lapalme—

Mr. Stanfield: What offer is that?

Mr. Drury: —last night. It was to be communicated to them this morning and I understand was so communicated. The representatives of the men said that they would provide me with an official reply to this offer. I do not expect to receive this until a meeting later this afternoon.

INDUSTRY

TEXTILES—ANNOUNCEMENT OF NEW GOVERNMENT POLICY

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I wish to address a question to the Minister of Industry, Trade and Commerce. In view of the difficulties and uncertainties which exist in the Canadian textile industry, can the minister inform the House when he will make his promised policy statement with regard to that industry?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): As soon as I can, Mr. Speaker.

Mr. Harkness: A supplementary question, Mr. Speaker. Could the minister be a bit more specific in view of the great anxiety which exists among the people in this industry?

Mr. Pepin: I wish I could, Mr. Speaker, but I cannot. In the meantime I have been meeting with all the interested parties. I hope the solution I will recommend will meet with the co-operation and approval of everyone concerned.

Mr. Louis-Roland Comeau (South Western Nova): A supplementary question, Mr. Speaker. Is the minister personally, not members of his department, meeting with the ministers of the provinces and when does he expect these discussions will be terminated?

Mr. Pepin: I have met with some but not with all because I could not. If necessary, I will meet the others in the near future.

THE CANADIAN ECONOMY

FOREIGN OWNERSHIP OF CANADIAN CORPORATIONS

Mr. David Lewis (York South): I wish to direct a question to the Prime Minister. On

several occasions before the Easter adjournment the Prime Minister informed the House that either immediately before the adjournment or immediately after resumption of sittings of the House he would make a general statement with regard to the government's policy on foreign ownership. When may we expect that statement?

Right Hon. P. E. Trudeau (Prime Minister): With all respect to the hon. member, Mr. Speaker, I am quite certain I made no such assertion. I did say that the matter was under consideration by cabinet and that it might be some time before we could make such a statement.

Mr. Lewis: A supplementary question, Mr. Speaker. Aside from our difference as to what the Prime Minister said—we both have to look up the record—I ask the Prime Minister whether the minister responsible for studying the matter and presenting recommendations to the cabinet has done so? I am not asking what the recommendations are. Is the cabinet now studying these recommendations and when may the House expect a statement of the government's policy on the issue?

Mr. Trudeau: I believe that at no time did I indicate what minister was making this study, Mr. Speaker, but I can answer the hon. member for his information that the matter has come before cabinet and has been studied. A considerable degree of further study will be needed before a statement can be made.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. May I ask the Prime Minister if he is aware of a report that a Canadian funeral complex has taken over half a dozen—an American funeral complex has taken over—

Some hon. Members: Oh, oh!

Mr. Woolliams: That's the Canadian government.

Mr. Knowles (Winnipeg North Centre): Maybe I had better start over again and get it right. In view of the report that an American funeral complex—

An hon. Member: It won't be long, Stan!

Mr. Knowles (Winnipeg North Centre): I see the President of the Privy Council is giving an answer to the Prime Minister before I have even asked the question. In view of the report that an American funeral complex has taken over half a dozen Canadian funeral homes, will the government look into this matter and make sure that two years from now there will still be a Canadian funeral home when the time comes to bury this government?

Mr. Speaker: Order, please.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to address a supplementary question to the Prime Minister who has just announced that the cabinet is at the present time considering the matter of Canadian ownership of Canada's development.

Will the cabinet examine at the same time the reason for a $50 million loan secured in the United States by the NDP government of Manitoba for the development of the Manitoba Hydro Electric Commission?

[*English*]

TRANSPORT

MARITIME PROVINCES—FREIGHT RATE INCREASES—REQUEST FOR REPORT BY FEDERAL-PROVINCIAL COMMITTEE

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I would direct my question to the Minister of Transport. In view of the fact that freight rates in Atlantic Canada have been increased by as much as 28 per cent in the last six months, would the minister ask the CNR to roll back that part of the increase which went into effect yesterday?

Hon. Donald C. Jamieson (Minister of Transport): I have answered a similar question on a number of occasions. As far as freight rate increases are concerned, this is a matter which is being studied by the Prices and Incomes Commission. It is in relation to their guidelines that it is being done.

Mr. Thomas (Moncton): I have asked the minister several times in the House about the deliberations of the federal-provincial committee which was to have produced recommendations for a comprehensive policy. I know the committee has made some recommendations, and I would ask the minister whether he would press the chairman of the committee to make a report on what has been done so far, so that we might be in a position to forestall further increases.

Mr. Jamieson: Yes, I shall be glad to do what I can in that direction and I hope the hon. member, to the extent he has influence

in New Brunswick, will press the provincial members of the committee to get on with it, too.

Mr. J. P. Nowlan (Annapolis Valley): With reference to the telegram sent by the Atlantic Provinces Transportation Commission on March 26 protesting these increases, and to the minister's undertaking to use his influence in an effort to secure an early report from the federal-provincial committee, may I ask the hon. gentleman whether he will apply similar pressure to the chairman of the Standing Committee on Transport and Communications with a view to the federal-provincial committee being called before the transport committee so that its members can find out just what is causing the hold-up in enunciating the policy for Atlantic transportation which the minister promised almost a year ago?

Mr. Jamieson: The committee is, of course, in charge of its own deliberations, but I would be more than pleased if such a course were followed. I would have no objection to their doing so.

INVESTIGATION OF CNR OPERATIONS IN EASTERN CANADA

Mr. John Lundrigan (Gander-Twillingate): Can the minister tell us when the department is likely to be in a position to reach a decision on the request for an investigation into the operations of the Canadian National in Eastern Canada, a request which was made three months ago and repeated in the House on three subsequent occasions?

Hon. Donald C. Jamieson (Minister of Transport): As far as a general line of inquiry is concerned, I am assuming that the transport committee will be hearing the officials of the Canadian National within a little while. I recall replying previously to the effect that an appropriate time would perhaps be whenever the vice-president for the Atlantic region was appearing before the committee. If that does not appeal to the committee I could arrange for another kind of meeting whenever they wished.

Mr. Lundrigan: In view of the evidence which has been presented to the minister in connection with negligence surrounding the particular operation referred to, would the hon. gentleman be prepared to make a statement on motions in the House, bearing in mind that the committee has encountered considerable difficulty in getting at the root of the problem when hearing from CNR officials?

Mr. Jamieson: I would be glad to consider that. I come back to the point I made earlier: I believe the committee would have a good opportunity when the CNR officials are in attendance. If the hon. member wishes specific officials to appear, I would be glad to try to get the CNR to agree to it.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. Barry Mather (Surrey): Mr. Speaker, I had a question for the Secretary of State for External Affairs, but in his absence, and in view of the considerable concern felt in British Columbia over the matter, perhaps somebody across the way could take it as notice. Having in mind the fact that the United States government has now definitely scheduled the date of its major underground nuclear test in the north Pacific, when can we expect a statement by the government in relation to the representations that it is making to Washington on this important matter?

Hon. Donald S. Macdonald (President of the Privy Council): I will take this question as notice, Mr. Speaker.

AGRICULTURE

SUBMISSION BY NATIONAL FARMERS UNION RESPECTING ALLEGED PAYMENT COMMITMENT

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of a letter submitted to him about a month ago by the National Farmers Union, in which they made an accounting of the amount of money that they allege is owing to farmers to fulfil a commitment given in writing by a former Minister of Agriculture, a commitment amounting to some $385 million, may I ask the Prime Minister whether or not he has replied to this submission and, if so, what the reply consisted of?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will have to check. I do recall a letter and it seemed a very fanciful bit of accounting to me.

Mr. Benjamin: A supplementary question. In view of the fact that the submission quotes commitments given by a former Minister of Agriculture, may I ask the Prime Minister whether it is the intention of the government to give sympathetic consideration to honouring those commitments?

Inquiries of the Ministry

[*Translation*]

EXTERNAL AFFAIRS

CANADIAN CONTRIBUTION TO WORLD FOOD PROGRAM

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, since the Minister of Agriculture is away, I shall direct my question to his Parliamentary Secretary.

In a release issued by the federal Department of Agriculture, it is stated that the board of directors of the World Food Programme will be holding study sessions in New York this week. Now, since Canada is a member of that board, could the Parliamentary Secretary tell the House whether the Canadian contribution to this organization will consist mainly of food and whether the minister will recommend that Canadian dairy products account for a large percentage of the contribution?

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Last fall, Mr. Speaker, during a trip to Rome, I had the opportunity of attending a meeting which was a sort of preliminary to the one now taking place in New York. I can say that Canada is the second country to provide major assistance to underdeveloped countries. Canada has offered all kinds of foodstuffs.

However, the choice of foodstuffs is made by a special committee comprising representatives of all member countries. Canada will not itself determine its contribution. The delegates of all countries that are members of the organization will decide which countries will contribute and also what foodstuffs will be offered to underdeveloped countries.

Mr. Lambert (Bellechasse): Mr. Speaker, I have a supplementary question.

As Canada is represented within this committee, would it not be better, even if the decision is not that of Canada alone, for us to decide what we would prefer to offer to underdeveloped countries?

Mr. Côté (Richelieu): Yes, Mr. Speaker.

[*English*]

AGRICULTURE

PRINCE EDWARD ISLAND—GRANTS TO ESTABLISH TOBACCO FARMS VIS-À-VIS ANTI-SMOKING CAMPAIGN

Mr. H. E. Stafford (Elgin): Mr. Speaker, my question is directed to the Minister of National Health and Welfare but in his absence I will direct it to his Parliamentary Secretary. How does the minister reconcile the recently announced government grants to help establish tobacco farms on Prince Edward Island with his strong anti-smoking campaign?

[Mr. Benjamin.]

Mr. Speaker: Order, please.

Mr. Stafford: Ten o'clock.

TRADE

EFFECT OF WHITE PAPER DEPLETION ALLOWANCE PROPOSAL ON IRON ORE AND OTHER EXPORTS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Since two very large and important long-term contracts to supply iron ore to Japan will be made uncompetitive if the government's white paper proposal to do away with depletion allowances is carried forward—and these contracts are in jeopardy at the present time—is the minister aware of any other suppliers of Canadian materials who are in a similar position?

Some hon. Members: Answer!

Mr. Speaker: The right hon. member for Prince Albert.

Mr. Hees: Mr. Speaker, I asked the minister whether he is aware. He must be aware of something. I know it is not much, but is he or is he not aware?

Mr. Speaker: Order, please.

Mr. Hees: Get on your feet and speak like a man.

Mr. Speaker: Order. The Chair has recognized the right hon. member for Prince Albert.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the Minister of Indian Affairs and Northern Development whether he will tell the House what the present position is in view of the collaborations that have been going on between representatives of this government and of the government of Quebec concerning Eskimo rights in northern Quebec?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, as I have said several times in the House, an official of my department and an official of the provincial government have visited every Eskimo community in New Quebec. They are back and now in the process of translating the minutes of the proceedings of those meetings. The government's position has not changed: we are endeavoring to find all the co-operation possible so as to give Quebec Eskimos the services most likely to protect their interests.

[*English*]

Mr. Diefenbaker: I have a supplementary question. As a result of the discussions that have taken place and the notes that have been taken of those discussions, has the minister now ascertained that there is almost universal opposition by the Eskimos to being pushed around and placed under the custody of the Quebec government rather than remaining under the control of the federal parliament?

[*Translation*]

Mr. Chrétien: Mr. Speaker, it seems to me that the Eskimos are satisfied that we are ensuring that their basic rights with regard to their language and their religion will be protected in all parts of Canada, including Quebec, and I think that the right hon. member should support my campaign to have the basic rights of a minority in Quebec recognized.

[*English*]

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Apparently that answer demands the support of the sycophants of the government. I ask the minister this question. Will he table the arrangements made in respect of language and religion which he says the government of Canada supports? Will he table those and will he also table, so we can understand whether or not the Eskimos are as dissatisfied as they claim to be, a copy of the discussions that have taken place and which were taken down by a reporter?

[*Translation*]

Mr. Chrétien: Mr. Speaker, if we sign an agreement with the government of the province of Quebec, I shall be pleased to so inform the House and to table the document here.

As for the minutes of the meeting, they are now being drafted and will later be translated into English and French. They will then be checked by translators, in this case a Protestant minister and a Catholic priest who speak the Eskimo language. The reports, when submitted to us, will serve as a basis for whatever new policy is adopted, which will be communicated to the House.

[*English*]

Mr. Diefenbaker: Treatment of Eskimos.

TRANSPORT

SECOND VOYAGE OF "MANHATTAN"—BARRING OF CANADIAN NEWSMEN FROM SHIP

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport. In view of the minister's announced close and friendly relations with the owners of the Humble Oil Company, can he say why Canadian news media correspondents are not being allowed aboard the *Manhattan* during her voyage through the Canadian Arctic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I would suggest that the question should properly be directed, I suppose, to the Humble Oil Company with which I do not have any particular affinity, let me assure the House. I do understand, however, that the reason is that the Humble Oil Company declined to allow any United States correspondents to go on this particular voyage of the *Manhattan.* Therefore they felt it might apear to be a form of discrimination if in fact they allowed Canadian newsmen. Arrangements have been made now, I understand, for Mr. Haas, who is the project officer on the *Manhattan,* to give periodic briefings on board the *St. Laurent* for the newsmen who are making the trip, and perhaps at some point in the future they may be able to get on the *Manhattan.*

Mr. Nesbitt: Is the gentleman—I did not quite get his name, Your Honour—to whom there was reference and who is going to give these briefings, a representative of Information Canada?

Mr. Speaker: Order, please.

Mr. Jamieson: Mr. Speaker, again—

Mr. Speaker: Order, please.

Mr. Baldwin: I have a supplementary.

Mr. Speaker: Order, please.

[*Later:*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, my supplementary is to the Minister of Transport, and it is a very simple

question. In the event of any dispute arising between the command of the *Manhattan* and the command of the Canadian icebreaker in the case of any emergency, which command will have priority?

Mr. Jamieson: Mr. Speaker,—

Mr. Speaker: Order, please. The question is hypothetical.

[*Translation*]

INDIAN AFFAIRS

POLICY RESPECTING CAUGHNAWAGA RESERVE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a supplementary question for the Minister of Indian Affairs and Northern Development.

He set out earlier the government policy respecting Eskimos. I would like to know if the same policy applies to the Indians. I am thinking, for instance, about the Indian reserve of Caughnawaga. Are there any problems between Quebec and Ottawa concerning the treatment to be given to Indians who live on reserves?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the same basic policy applies to Indian and to Eskimos. We want the Indians and the Eskimos living in the province of Quebec to enjoy their full rights as Quebecers and as Canadians.

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

[*English*]

Mr. Speaker: Order, please. I have to bring to the attention of hon. members that we will be running out of time in a few minutes. I would like to receive the co-operation of hon. members in connection with supplementary questions. We should limit them, if hon. members will agree to this, to the next ten minutes or so.

TAXATION

WHITE PAPER ON REFORM—REPRESENTATIONS BY IRON ORE COMPANY OF CANADA

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance who is not in the House today. I hope he is not taking time out from his parliamentary duties to discuss the white paper throughout the country or anything like that.

[Mr. Baldwin.]

Some hon. Members: Oh, oh!

Mr. Stanfield: Perhaps I might get the information—

An hon. Member: What were you doing?

Some hon. Members: Oh, oh!

Mr. Stanfield: Perhaps I might get the information, Mr. Speaker, from the Minister without Portfolio who assists the Minister of Finance. I should like to ask now whether the Minister of Finance has conducted any inquiries to see whether there is anything to the claim put forward by the Iron Ore Company of Canada that the tax changes proposed in the white paper would make it impossible for them to proceed with this contract? Has the Department of Finance conducted any such inquiries and has the department established any mechanism or machinery to look into cases of this sort to determine the effect of these proposals upon developments which are now said to be put in doubt by these proposals?

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the Minister of Finance is representing Canada at an international meeting.

Some hon. Members: Hear, hear!

An hon. Member: Is he telling them about the white paper?

Mr. Gray: With respect to the question of the Leader of the Opposition, I can tell him that the Iron Ore Company did come to the department with some rough figures about their own estimates of the effect of the white paper on the sale to Japan in question. The government asked for more substantial information, some six weeks ago, and it has not yet been provided by the company. The government is, of course, quite willing to receive and study any further information on this matter that the company wishes to provide.

ENERGY

REQUEST FOR DELAY IN GRANTING NATURAL GAS EXPORT PERMITS PENDING FORMULATION OF GENERAL POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I want to ask the Minister of Energy, Mines and Resources a question regarding the five applications that are now before the National Energy Board involving the export to the United States of some nine trillion cubic feet of natural gas

valued at some $3 billion spread over the next 20 to 25 years. In view of the fact that this matter must come to cabinet for approval, I want to ask the minister whether the government can give the House the assurance that no such export permits will be granted until the entire energy policy has been fully dealt with and completely formulated?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, when the National Energy Board has a hearing such as this very important hearing in respect of applications for permits for the export of gas, it sits in its quasi-judicial capacity and, of course, there is no interference by myself or by the government in its deliberations. When its decision is made it will be referred to cabinet and will be considered at that time. I do not think I can add anything useful by anticipating any cabinet decision in that regard.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question. In view of the fact that at the hearing before the board there were differences of opinion as to the surplus gas which is available in Canada, would the minister at least undertake, before any final decision is made, to make a statement on motions giving the House the information as to what the actual finding of the National Energy Board is in respect of the amount of surplus gas in Canada?

Mr. Greene: Well, Mr. Speaker, the evidence before the board is, of course, a matter of public record. The National Energy Board under the present law of Canada is the custodian of the public resources of Canada in respect of gas, and I feel very certain that the board has exercised that responsibility in the best interests of Canada in years past and I am sure will continue to do so. With regard to my hon. friend's suggestion as to presenting to the House the report of the National Energy Board as presented to cabinet, I will be very glad to consider that when the time comes.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wonder whether the minister would advise the House if they are using the need for natural gas in the United States as a bargaining tool to increase the export of crude petroleum?

Mr. Greene: No, Mr. Speaker; the law is very clear in this regard. The only exports that are permissible in respect of natural gas are those that are clearly surplus to the Canadian need in the foreseeable future. The National Energy Board is the custodian of the public domain in that regard and protects the public rights of future Canadians. I do not think it would be possible for the government of Canada to use the future rights of Canadians in this regard as a counter for oil at the bargaining table today.

HOUSING

REQUEST FOR STATEMENT ON PUBLIC HOUSING GUIDELINES

Mr. John Gilbert (Broadview): Mr. Speaker, I have a question I should like to direct to the minister in charge of housing. When can we expect the long-awaited statement on the guidelines for public housing?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I am rather hopeful I will be able to make a statement within the next ten days.

TRANSPORT

COASTAL TOWBOATS—AVAILABILITY OF STUDY ON SAFETY AND MANNING

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, this question is directed to the Minister of Transport. I should like to ask him when the labour-transport study on safety and manning provisions on coastal towboats, which was chaired by Mr. Elsestrom, will be made available to Members of Parliament and the public?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will have to take that question as notice.

EXTERNAL AFFAIRS

TURKEY—ASSISTANCE TO EARTHQUAKE VICTIMS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Prime Minister. What steps is the government taking to assist earthquake victims in Turkey? I ask this question as one of the members who over Easter saw earthquake devastation in another country.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will take the question as notice.

Inquiries of the Ministry

GRAIN

WHEAT—DELIVERIES UNDER DEFERRED QUOTA SYSTEM—FINANCIAL ASSISTANCE TO FARMERS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister without Portfolio responsible for the Canadian Wheat Board. In light of the stringent cash shortage in the western grain economy is the minister giving serious consideration to making up the cash deficiency to those farmers who were forced to take a lower initial payment per bushel for grain delivered under the deferred quota system in the last crop year?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, as the hon. member knows, this question has been asked and answered many times before in this House.

WHEAT—ACREAGE REDUCTION PROGRAM—APPLICATION OF QUOTAS

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the minister in charge of the Wheat Board. Under the wheat acreage reduction program we are guaranteeing the farmer an eight-bushel quota on his summerfallow. The eight-bushel quota is for wheat. Is it permissible to allocate the quota to barley or some other crop? In other words, is it permissible to transfer it?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the initial assertion by the hon. member is not correct. The summerfallow acreage, including the portion of credit for a previous year's summerfallow acreage, is available to the farmer for allocation to wheat or to one of the other grains as he may choose. The eight-bushel quota is only applicable to wheat.

Mr. Horner: Mr. Speaker, in light of the fact that the eight-bushel guarantee is only in respect of wheat, will this not in fact encourage wheat production by farmers who do not now have surplus wheat?

Mr. Lang: No, Mr. Speaker. The quota for other grains will be on a seeded acreage base, with acres seeded to those grains available for quota along with any acres which may be allocated to them from the summerfallow eligibility base. The quotas for these other grains will be called forward on their own in such a way that the producers of those grains will share the total market for those grains in direct proportion to their acreage or allocation for those grains.

[Mr. Trudeau.]

Mr. George Muir (Lisgar): Mr. Speaker, I have a supplementary question for the Minister without Portfolio in charge of the Wheat Board. In view of the fact that the farmers of North Dakota have indicated they will be raising their spring wheat acreage by 10 per cent because of Canada's wheat reduction, is the minister now prepared to amend the new quota regulations in order to make them more equitable for those farmers who have already reduced their wheat acreage in western Canada?

Mr. Lang: Mr. Speaker, of course the overall indications are that United States wheat acreage is in a downward direction. The original proposal and the proposal for wheat acreage reduction as it stands does recognize the reduction in wheat acreage last year by the allowance of a 25 per cent credit toward quota based on any summerfallow from last year.

PRINCIPLE OF ORDERLY MARKETING—APPLICATION TO FEED GRAINS

Mr. John Burton (Regina East): Mr. Speaker, my question is directed to the Minister without Portfolio from Saskatchewan. In view of reports that two Canadian Wheat Board commissioners were considering resigning their posts, has the minister assured the board that the government is fully committed to the principle of orderly marketing and in particular that it will resist proposals to allow open marketing of feed grains?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I have made it perfectly clear to the Wheat Board that they have my confidence and that the principle of Wheat Board marketing and orderly marketing is fully supported by this government. I must say I could only label as pure speculation the report to which the hon. member refers.

EXTERNAL AFFAIRS

CAMBODIA—CLOSING OF CANADIAN MISSION

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the request by the new Cambodian government that the International Control Commission reassume its duties and also having regard to the appeal made by the government of India which serves with Canada on the ICC, could the Prime Minister inform the House whether there has been a decision regarding the delaying of the closing of our mission in Cambodia

and whether or not the policy of the government has been communicated to the Geneva powers?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker; there has been no decision to delay the closing of the mission.

Mr. Speaker: Orders of the day. I regret that a few members rose a number of times and did not have an opportunity to ask their questions I have tried to make a mental note of their efforts and will endeavour to give them preference tomorrow. This includes the hon. member for Mackenzie.

• (2:50 p.m.)

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed from Monday, April 6 consideration of Bill C-3, to amend the Criminal Code as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and Motion No. 2 (Mr. Woolliams).

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, the United Nations declaration on the elimination of all forms of racial discrimination which was adopted by the United Nations General Assembly on November 21, 1963, was supported by Canada. It provides as follows:

> The necessity of speedily eliminating racial discrimination throughout the world, in all its forms and manifestations, and of securing understanding of and respect for the dignity of the human person.

I submit that is an important part of Canadian foreign policy. Surely, the provisions before the House in Bill C-3 are consistent with that policy and inconsistent with any other conclusion than that we are genuinely acting against unjust discrimination.

An editorial in the Toronto *Globe and Mail* this morning, Mr. Speaker, expressed the view that Bill C-3 is a clear attempt to legislate morality and that its main section would make it a crime to communicate statements that promote hatred. The editorial goes on to ask why. Then, it continues:

> Not because anything follows from that, not because public order is disturbed, not because windows are broken or a mob becomes unruly, not because anyone is endangered or because there is a breach of the peace or even the likelihood of a breach of the peace, it simply says it is wrong to promote hate, period.

I respectfully disagree with the tone of the editorial. It completely overlooks the evil effects on the lives and social attitudes of classes singled out for hatred, which in some cases leaves scars and wounds on their minds and personalities, but also overlooks the tendency to single out groups for social discrimination of a deplorable nature. Also, Mr. Speaker, this same editorial overlooks the fact that the bill is not designed to prevent hatred, period. But rather the bill is designed to prohibit hatred directed against any identifiable group which is specifically defined in proposed new section 267A(4) as, "any section of the public distinguished by colour, race, religion, or ethnic origin." Thus, here we have a classic example of a nationally read newspaper giving a wrong impression of the provisions of a proposed criminal statutory amendment.

The subject matter of Bill C-3 has been considered by a royal commission. The bill has been thoroughly discussed in committee, and now is the time to support it in this House. It represents a major landmark in the extension of the laws of libel and slander to cover vulnerable groups in our society and to protect those identifiable groups from the vile abuse of verbal pollution expressed in the form of hatred.

Why? Because minorities need protection, and the Canadian standard of fair play for all demands it. That is why, Mr. Speaker. We can all recall the events which occurred prior to and during the Second World War when, by use of expressions of hatred, hatred led to genocide, and millions of innocent people of the Jewish faith were slaughtered in Europe.

I suggest that hatred breeds contempt, and that the result in society is a form of social class distinction which is abhorrent to all Canadians. The scars created by expressions of hatred based on discrimination against colour, race or creed, in many cases last forever. The soul and the spirit of Canadians require a standard of conduct which will eliminate the stigma of second class citizenship.

In addition, Mr. Speaker, the bill has profound educational value as a measure to enhance the strength and spirit of true Canadian respect for the dignity of man. To me, we are strengthening the bonds of citizenship in Canadian society by demonstrating the intention and determination of the Canadian people to prevent social class distinction, and to place those in identifiable groups on exactly the same level of respect

and regard as all other Canadians. This bill will be a victory for the dignity of the rights of Canadians. As a lawyer, I see this bill as a specific example of the rule of law whereby "all are equal in the eyes of the law", and perhaps this bill expresses the view that all are socially equal and not despised or discriminated against by reason of race, religion, colour or ethnic origin in the eyes of the law as well as in the soul of man.

In these days of television, radio and fast communication it is sound legislative planning to provide such humane criminal legislation. Thus, we in this place will in some measure remove the psychological pain and the unfortunate doubts and uncertainties which in some cases pervade the minds of individuals in minority groups, to their lasting misery and resentment. We shall prohibit hatred in the forms expressed in the bill by criminal laws of restraint, and thus remove from identifiable groups the stigma left by the expression of that hatred.

We in Parliament do not seek to pry into the minds of men, but we do intend to prohibit acts of discrimination against identifiable groups. Mr. Speaker, when I think of all those Canadians who sacrificed their lives in war, in the war against tyranny and racial discrimination, I do believe that in a very real and lasting sense we here today are supporting the cause for which they valiantly fought and died.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, let me first pay tribute to those who have already discussed this matter in the House. I think this is one of the occasions when hon. members rise to great heights in their attention, discussion, and contributions to the subject matter which is before this House for its decision. I say this advisedly because unfortunately we have heard a few really snide comments upon the nature and the quality of the discussions in this House. That may be all very well for those few people who think this is a place which should be an abattoir, swimming in blood at all times, rather than a place providing grave and solemn opportunity for the discussion of serious issues. This has been one of those occasions, and I pay tribute to hon. members who have made their speeches along those lines, although I may not and probably will not agree with everything that has been said.

Now, Mr. Speaker, because this sort of debate touches the consciences, the feelings, the emotions, and the background—possibly to some extent there is an hereditary aspect to it—people will take different positions. We saw evidence of this yesterday with some members on the government side. I mention in particular the hon. member for New Westminster (Mr. Hogarth), who proposed a motion with which I was in sympathy. If he had been able to persuade five of his colleagues to stand and the matter had been put to a vote I would have voted for it. But he was not supported by a large number of his colleagues and so the matter did not come to a vote. However, I pause to say it is quite obvious that a great many members opposite must now be discussing in their seats what took place yesterday.

I have no doubt that as time passes, and as this debate progresses, there will be members on this side of the House who may differ from the things I have to say, who may differ from the majority of the people in their party, and that may be this party or it may be the New Democratic Party. I would think it passing strange, Mr. Speaker, and I say this through you to hon. members of this House, if there were not to some extent some parting of the ways in the approaches which many hon. members take to this particular measure because of the issues which are involved.

I agree with what the hon. member for Calgary North (Mr. Woolliams) said yesterday when he pointed out that no particular, sudden emergency has arisen which calls into being the need for this legislation. No particular public situation has come about. There is no clear and present danger. As a matter of fact, there has been a presistent, stubborn and very well organized campaign to bring these new laws into effect, and it will ultimately succeed.

• (3:00 p.m.)

I do not fault the people who have pursued this campaign. It is their democratic right. It is proper for them to do so. I do not fault them for that, and I do not say the government should not have introduced the bill because of that. I simply pause to say that in 1964 there was a private members' public bill introduced by I think it was at that time the hon. member for Cartier. I spoke on that. The bill was not quite the same, but it dealt primarily with the issues which are before the House today. I opposed part of it then, as I oppose part of it today. Some of the things I said then I am going to repeat today and I am fortified in this because after six years of consideration, contemplation and discussion of this issue, I hold the same views even more strongly than I did then.

As has been indicated, Mr. Speaker, there are three aspects of this bill and then there are some consequential matters which follow. I have no difficulty in accepting the proposals contained in section 267A dealing with genocide and I doubt very much if there will ever be any prosecutions launched in this country. However, the passage of this particular section constitutes an adherance to an international obligation which this country accepted some time ago. I have no hesitation in saying that if this section stood by itself I would have no problems at all.

I differ to some extent from my colleague the hon. member for Calgary North (Mr. Woolliams) in that I would not be too afraid of accepting the first part of section 267B, the proposed new section of the Criminal Code, which provides:

> Every one who, by communicating statements in any public place, incites hatred against any identifiable group where such incitement is likely to lead to a breach of the peace—

I am reinforced in my view that this would not be too difficult a proposition to accept because it does contain a safeguard. Hon. members who have practised law, and all hon. members who have had occasion to deal with the Criminal Code, will realize that there is in fact this safeguard, that in order for there to be a conviction it must be established that the incitement is likely to lead to a breach of the peace.

Now, Mr. Speaker, I abhor violence—we all abhor violence. We have seen too much of it. I am afraid that in too many deliberative assemblies in the world today there is not that opportunity to reflect the views, the thinking, wishes and desires of the people. We have too much domination by an executive and not enough opportunity by the elected branch to pursue their task for the people. One of the reasons we have this violence, and why it will continue, has been the failure of the deliberative bodies to exercise the right which they must exercise to give the views, thoughts, wishes and aspirations of the people full consideration.

Because of that, Mr. Speaker, when I see this particular subsection which says that where there is likely to be a breach of the peace an offence would be brought about, I am prepared to accept it. To that extent, I am prepared to confirm what I said earlier, that there are differences, there are distinctions between the thinking and the views of hon. members of this House and even between hon. members of the same party. To that extent, I would part company from my distinguished colleague, the learned and hon. member for Calgary North.

I would point out, however, that I am not as much concerned about it as I otherwise would be, Mr. Speaker. To substantiate that point, I refer to the speech I made on July 10, 1964 when, in dealing with this very same issue I said, as recorded on page 5359 of *Hansard*:

> The hon. member quite properly pointed his finger at the word "person"—

We were dealing with the question of defamatory libel then.

> —and said that the word "person" having been used in the Criminal Code, this automatically excludes actions which are directed against a class.

This was to distinguish whether or not an action would lie under the Criminal Code for inciting hatred of a class of people as distinguished from an individual.

> At first blush I think that is a very sound argument, but I would refer the hon. member, who is from the province of Quebec, to a Quebec case. I do not have the case itself here, but it is referred to in The Canadian Abridgement, volume 13, and in column 436 I read these words:
>
> ...a charge of publishing a defamatory libel against the Roman Catholic clergy of a particular diocese does not disclose an offence. Section 317... specifically refers to a "person" and the definition of "person" in section 2(13) is not sufficiently wide to include an unincorporated group—

The citation then goes on:

> An indictment will lie at the common law, and the common law is in effect in this country to the extent to which it has not been—

—taken away.

> —the indictment in such case must allege (and the crown must prove) that the tendency of the libel was to excite hatred against all members of the class and to provoke a breach of the peace.

In other words, Mr. Speaker, by the common law which still exists in this country, it would be possible to lay a charge under almost the same facts and circumstances as set out in the first part of this proposed new section 267B (1).

For that reason, I am not too concerned with the argument of the hon. member for Calgary North, and I disagree on this aspect of his amendment. In the very rare and almost unprecedented circumstances which could bring about the laying of a charge under this subsection if passed, as it will be passed no doubt, it would be the same as an information laid under common law so we are not losing anything and we get this protection. Hon. members must think about this.

In order for a conviction to be brought about, at some time or other a judge or a jury, and ultimately a court of appeal, will have to say that the statements made in this public place were of such a nature that they were liable to lead to violence, to a breach of the peace. Abhoring as I do the thought that violence could become a way of life, I would go along with the section because it has that protection. Thus I do not need to move, as I otherwise might have moved, an amendment to the motion we are now considering because we have the protection of the existing common law which covers this particular area.

Any reservations which I had about 267B (1), Mr. Speaker, have grown to such substantial doubts with regard to 267B (2), that I could not accept it under any circumstances. I agree with much of what was said yesterday about the inherent difficult and dangerous circumstances which would be brought about if 267B (2) were passed. It would lead the law enforcement agencies and the courts of this land into a very serious situation. It is bad law; it is bad philosophy and the facts are bad. It is not the kind of law which a country such as Canada should have. Much as I appreciate the views of other people, and much as I accept the views of many of my friends, I could not under any condition support a bill which contains a clause of this kind.

Life and society ought to consist of a continuous process of the circulation of creeds and philosophies, each in turn being conceived in the conflict of ideas and often born to the accompaniment of passion and anger. Each rises, blooms, and then fades, but contributes much to the values and the philosophies which succeed. On this account alone, we have a grave responsibility not to diminish the opportunity, not only to permit but to strongly encourage the clash between people and ideas. When we stop doing this, sir, I say to you, and through you to my colleagues, that the motor which powers society will run out of fuel and our civilization will be on its way to perishing.

• (3:10 p.m.)

We wonder at times what will be the interpretation of some of the clauses of this bill. What will be the problems to which these clauses will give rise. What is to be the interpretation of hatred? It is all very well for my friends to say, "Look at the dictionary", but the dictionary is not good enough; it gives no answer on an issue like this. What I may consider to be hatred may be something quite different in the mind of the person to whom I am addressing my remarks. How is there to be an opportunity for the conflict of ideas and the clash of opinions if we are to be inhibited in the fullest expression of our views? Hatred to me, my friends, my family and the people I associate with may mean one thing; it may mean something entirely different to other people. What will it mean to a judge? In the final analysis, in any jurisprudence on this issue, the court will probably say that it is what reasonable people conceive, under certain reasonable conditions, to constitute hatred. That will mean that hatred will be what the majority of the people of the country consider hatred to be. The majority will be imposing their interpretation of hatred on the minority. I do not accept that for a minute, especially since this may mean that matters arising out of the communication of ideas which are not likely to lead to violence will be the basis of convictions. I cannot accept that in any circumstances.

I raise another thought. How are we to consider existing material? What about existing books? What about films and what about scripts? There are books published 100 years ago which, in my opinion, contain phrases, sentences and whole paragraphs that under this law, if passed, would constitute breaches of the criminal law. If I were to give to my hon. and distinguished friend, the leader of my party, (Mr. Stanfield) a book which contained this material I could be convicted of "communicating" within the meaning of this particular clause.

Mr. Greene: It is a change when the Tories communicate.

Mr. Baldwin: Mr. Speaker, more questions are raised than answered by this legislation. I know the government has established a certain number of defences but these defences in turn will create more bad jurisprudence. times we wonder at the government's reasons When governments are compelled to dredge up a number of defences such as are involved here, that is a clear indication that the legislation is not, and never will be, good. At for introducing this particular part of the legislation. It is true—we all admit it and we all worry about it—that many horrible things have been and indeed are being perpetrated, partly or to a large extent because hatred has been aroused. There are those who believe or who feel—because this is a matter of emotion rather than of reason—that the civilized portion of the world should make a declaration

either by legislation or otherwise, collectively admit its faults, cry *mea culpa,* and make atonement.

Even if we admit that society and humanity are imperfect, that does not mean and certainly should not mean that we should be compelled to pass unsound legislation now which could easily create far more problems in the future. A careful reading of the committee proceedings suggests that a goodly number of its members probably felt very uncomfortable about this particular clause. They made a number of attempts to amend it. The hon. member for New Westminster made attempts to amend it, as did other hon. members. They were not successful; all the same, the government permitted certain varied limited amendments to be made. I suggest that any objective reading of the transcript of those committee proceedings indicates that a great many members of the committee were not happy about this particular clause. It was included for very unsound reasons, as set out by my hon. friend for Calgary North. It was included for political purposes or largely for political purposes. So I ask, why tack on to the valid part of the bill those parts which are unsound and will cause a great many problems in this country.

We must bear in mind that the government has reduced the Cohen Committee proposals very substantially. Having read the evidence and listened to the minister, I am convinced that the minister and his advisers were determined that this bill was to pass with the very minimum of alteration. The minister had his mind set on it and all this nonsense about referring it to the committee for change was just that, nonsense. The minister's advisers and the cabinet had made up their minds as to what it was they wanted, and this is what has been introduced, bad as it is. For those reasons, I feel I cannot support the bill on third reading. Of course, for the reasons I have given I will support this amendment, although I have reservations about the one clause to which I referred.

I want to say finally that the 100 per cent proponents of all parts of this bill will say that we must forbid bad men from perverting society by the propagation of opinions which are regarded as vicious and violent. As against this, I suggest, there must be complete liberty to contradict and disprove opinions so long as there is no apparent and immediate likelihood of violence. It is indeed strange that men should admit the validity of the arguments for free discussion but object to their being pushed to the extreme.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my remarks on Bill C-3 will be brief, but I feel duty bound to participate in the debate.

The purpose of the bill is to curb hate propaganda of all kinds in this country. This very important bill can produce good results as well as bad ones. Should a totalitarian government ever take power in Canada and decide that whatever does not stem from the government is hate propaganda and whoever thinks otherwise than the government is an agent of hate propaganda, then I believe the freedom of individuals and of society would clearly be in jeopardy.

• (3:20 p.m.)

Mr. Speaker, we of the Créditiste party maintain that the individual is the most important element in any organized society, that he has rights, and duties also, that he must be respected and show respect for others.

The present bill certainly has a very definite purpose since it provides, and I quote:

> 267 A. (2) In this section "genocide" includes any of the following acts committed with intent to destroy in whole or in part any identifiable group, namely:
>
> (a) killing members of the group, or
>
> (b) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction.

Such genocides have taken place in certain parts of the world where everything was done to exterminate or wipe out some human groups by systematic murder.

For instance, the Germans were accused, during and after the war, of having tried to exterminate the whole Jewish people. In Africa, Nigerians were heard to say that all Biafrans should disappear. Now, thinking along these lines is prevalent in Guatemala, as it was in Cuba, before the advent of Castro, when all reactionaries were to be suppressed, etc.

Mr. Speaker, the adoption of such legislation will endanger the freedom of individuals who should have the right to their opinions.

Mr. Speaker, for many years now, we have been hearing about freedom of the press, freedom of speech, freedom of the individual, political freedom, freedom of religion, of language.

We cherish these freedoms like the apple of our eye. We want to feel free.

Hate Propaganda

On the other hand, hate literature incites people to revolt and we could quote cases. In 1962, the Liberals accused me of being a Hitler, a Mussolini. Newspapers in general, especially the English ones, gave it to me hard. If legislation such as the one now under study had been in force then, maybe we could have complained and said: This is a case of hate propaganda since it affects the freedom of the individual.

But as we have been elected democratically we did not have recourse to violence or try to suppress the die-hard Liberals. We simply endeavoured to defeat them through a democratic election. We succeeded to a certain extent and the same thing applies to the Progressive Conservatives whom we drove out of Quebec practically without harming anybody.

As for the liberty of the press, I think that everybody recognizes its existence even though, at times, it is rather annoying to do so, because we know that the press is not always honest, that sometimes it imagines certain things. I do not speak only of the big thick *La Presse* of Montreal but of newspapers in general in which attacks have been launched against the Créditistes, as it was done in the newspaper *Le Devoir*.

We must recognize that newspapers are free to write even lies against us as long as it is not libellous, and we can always take legal action and oblige these people to retract, if we deem necessary to do so.

Obviously, however, there is a difference between freedom of the press, written or spoken, and freedom which tolerates subversion.

Earlier, I asked a question to the Prime Minister (Mr. Trudeau) about a small paper published by certain University of Sherbrooke students, *L'Estrien Rouge*, which features the picture and the declarations of Mao Tse-tung. On the front page, there is an article titled "Good News: TWO FEDERAL M.P.'s HECKLED AT U. OF S."

The article is not very long, but it shows clearly that we have here in Canada, in the province of Quebec and more particularly in the City of Sherbrooke, young students, probably very few, who spread hate propaganda, make subversive statements and want to destroy what others have built. We must remember that the University of Sherbrooke, the University of Montreal, the University of Ottawa and Laval University in Quebec City have been built with the taxes of the Canadian people in general and particularly of the

[Mr. Caouette.]

people of Quebec, to allow foreign professors to come and teach our youth the road to subversion.

Mr. Speaker, this is an unthinkable situation! We cannot accept it but we must believe it because it is real. What do those young people write anonymously? The article reads as follows and I quote:

At the noon debate of March 16, in Antre II of the University of Sherbrooke, two lackeys—

They try to be polite.

—of English-Canadian colonialism, Ouellet and Gervais, Liberal members of Parliament, came to praise federalism. After jeers from progressive students, there was a discussion between the students and the two lackeys.

At a certain moment, a progressive student—

Instead of calling him a Communist, he is said to be progressive. It is more fashionable and the people will take it more easily. He is perhaps a poor student, but he is progressive when it comes to disrupting the order which must exist in Canada and in a province like ours.

I will now continue to quote:

—a progressive student asked Ouellet—

Not Mr. Ouellet, Mr. Speaker, but only Ouellet.

—why he did not ask Mackasey to give guns to the employees of G. Lapalme to protect themselves from Kierans, the puppet, and the SS of Montreal? Ouellet answered that this was not the solution and that some committees had been set up to study their case. The student replied that the workers were disgusted by solutions such as those at the George T. Davie and that they believe that the matter could be settled with guns; they would shoot such traitors as himself.

That is the member for Papineau. I proceed.

During the noon debate the student crowd was also heard to shout: "Murray Hill, out of Quebec". Some showed their discontent by throwing eggs—

—throwing eggs is quite useful for informing the people—

—and other objects at the two official compredores, others did not miss the opportunity to jostle Ouellet when he came out of Antre II.

• (3:30 p.m.)

When the meeting was over, the student leaders of the Parti Québécois, who during the debate had turned the students' nationalism against the bourgeois federalists, blamed the progressive students for their improper behaviour towards the representatives of colonialism.

The attitude of the traitors, Ouellet and Gervais, representatives of the colonialists, serves as evidence that only the strength of the people—

—not the vote—

—the strength of the people will be able to throw them out of Quebec.

May Quebec people wage a good fight!

Mr. Speaker, that was written by young people, aged 18 and 19, who attend the University of Sherbrooke, perhaps half a dozen students out of 8,000, 10,000 or 15,000 students. And it is hot-heads like them who spur hatred, trouble, contempt for law and order.

Apparently those people have had not enough examples to be able to forecast what might happen here in our province. Let us have a look at what happened barely a year ago in Czechoslovakia when the Czechoslovak students were literally crushed after they decided to recover their freedom. But these students of today are the sons of the Czechoslovak students who 25 years ago advocated exactly what some hot-heads are advocating now at the University of Sherbrooke.

The Czechs wanted their liberation, but once they were liberated they fell into the hands of the Communists. Then they again lost their freedom and as they wanted to recover it 25 years later they were literally crushed.

Shall we follow that example?

That is why Bill C-3 can, to a certain extent, be justified. It can help to protect people not against elements that can oppose our views, but against those who would, if ever they took power, deny all freedom to those they now want to replace. In the name of the freedom they now want for themselves, they will deny that same freedom to citizens once they are in power.

Mr. Speaker, we cannot afford to dream in colour, we must look at the facts as they are. And we will hear these people say: "Hurrah for the liberation of the Quebec people!"

Let us consider what happened in Russia. The Ukraine, for instance, was once a free country, but, today, it is not anymore. And the same thing is happening in all Communist countries of Europe.

And there are in Quebec and the rest of Canada people who cannot foresee the consequences of what they are doing today.

It is all very well, Mr. Speaker, to rouse people and to say: Take up guns. But is any thought given to the consequences? Last night René Lévesque said on television that if he did not win the Quebec elections on April 29 there might be violence. He stated: Vote for me or else bombs will explode.

Is that true democracy or a smart attitude? On the contrary it is mere blackmailing. I am convinced that most Quebec citizens, as those in the rest of Canada, want order and justice in our country and not the disorder and anarchy that is advocated in certain parts of Quebec.

Mr. Speaker, we live undoubtedly in one of the most beautiful countries in the world. That there are things to be improved in this country, we admit it. I believe the hon. members of other political parties recognize that something should be changed in order to promote trust between individuals on a larger scale. Once that goal was reached, Bill C-3 would be absolutely useless. Lack of trust, jealousy and envy have laid hold upon the conscience of individuals to such an extent that human beings persist in devouring each other instead of uniting in order to build something.

The poor are against the rich and the workers against the employers. There you have subversion! Some union leaders, instead of acting as moderators between employers and workers have become distributors of boxing gloves so that employers may stand against workers. Instead of thinking soundly, they just sound off.

The workers are fed up with such leaders. They want to be treated like human beings and not as numbers or as people cynically exploited by sinister exploiters, which is what some Canadian labour leaders are at the present time.

There are many examples of that situation. But the cause of all this is hate propaganda. Some Canadians have said that they had no money because the Jewish people were hoarding. Maybe we should advise those who are not Jewish to do the same.

While going through the Montreal phone directory yesterday or the day before yesterday, I came across the name of The Hebrew Free Loan Organization. This is a body that has the legal competence to grant interest-free loans to Jewish people, in order to promote mutual help. Should a Jew wish to go into business, those people will lend him money without interest. Instead of criticizing them, why don't we do the same?

The Minister of Justice (Mr. Turner) is letting me know he can guess what I am driving at.

If the Canadian government said: Let us use the Bank of Canada to grant loans without interest to the provinces, municipalities or school boards, there would be less hate propaganda. There would be co-operation. We would no longer hear of conflicts between Quebec and Ottawa, or Quebec and the nine other provinces. We often hear in Quebec

that the province is not treated as well as the other provinces. And we have a proof of this if we go by what the government says, that is that there are only three wealthy provinces in Canada: Ontario, and the two Social Credit western provinces, British Columbia and Alberta. The seven other provinces are poor. And amongst those poor provinces, some are even poorer than Quebec: New Brunswick, Prince Edward Island, Newfoundland, Nova Scotia, Manitoba, and Saskatchewan. It is not a matter of one province against nine, but rather of seven provinces against three!

If there were more Social Credit provinces in Canada, I am convinced there would be more prosperity. Ten provinces could prosper, because the problem remains the same. It is often said that man does not live by bread and butter alone. Indeed, he must also feed his intelligence.

Mr. Speaker, has my time expired or were you going to call me to order?

• (3:40 p.m.)

Mr. Speaker: No, I would never call the hon. member to order, but I must however remind him that, pursuant to the Standing Orders, his time has expired. He cannot continue his remarks without the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Caouette: Mr. Speaker, I wish to thank the Chair and my colleagues.

Mr. Turner (Ottawa-Carleton): This is an excellent election speech.

Mr. Caouette: My dear colleague, the Minister of Justice (Mr. Turner) acknowledges that I am a good speaker, that I inform him, that I give him the means to suggest to the government a way to deal efficiently with hate propaganda. Moreover, such is the object of the bill.

Mr. Speaker, as I was saying earlier, man does not feed only on bread and butter. His mind must also be fed. However, there is another saying that it's no use preaching to a hungry man. When somebody is hungry, it is useless to try to force moral principles on him, for as long as he is hungry, his ears and his mind will not be able to understand anything. That is the point that the Ralliement Créditiste has stressed for a long time. We have been laughed at, but nevertheless no solution has been found to the problems facing the country.

[Mr. Caouette.]

Bills are introduced against hate propaganda, which can very well exist in many fields, but that hate has a root somewhere. People have a grudge against the rich. Why? Because they are not as well-off.

When I hear the socialists say to the workers that they are poor because the employer's profits are too high, I have to laugh. Few people can make out a $1 million cheque in Canada today. Millionaires do not pile up their millions in their bedrooms for the sake of hoarding money: They put them to good use. When they expand their plants or build houses or castles, they provide work for the people. In fact, when buying construction materials, they do society a service.

According to the socialists, the rich has to be destroyed because, allegedly, they get richer all the time. If all the poor people united to destroy the estates of the rich, they would then realize that they still have to live in the same shack. Nothing would be changed. Therefore, some basic thing has to be changed to prevent the hatred, misunderstanding and disunity that exist today. In his connection the Ralliement Créditiste suggests a monetary reform that sets the individual free and allows him to be his true self in a Canada that he himself has built for himself, his family and his children.

Some hon. Members: Hear, hear.

Mr. Ouellet: Mr. Speaker, on a question of privilege.

The hon. member for Témiscamingue having alluded to events in which I was involved in Sherbrooke not long ago, I would like briefly to make one point clear. I spoke before a group of about 400 people and hardly twenty students behaved rudely and caused disorder. They bore the sign of the Parti Québécois.

However, I should say that most of the students attending this demonstration understood the advantages of federalism and of Quebec being part of Canada.

[*English*]

Mr. John Roberts (York-Simcoe): Mr. Speaker, I rise to oppose this legislation and to support the amendment. Before I do so I should like to compliment the Minister of Justice (Mr. Turner), particularly since I propose to attack him in a few moments. I think that he has been the minister most concerned to involve backbenchers and the committees effectively in the legislative process. I compliment him for that and am grateful to him. He

has made a more determined effort, I think, than any other minister to make our new committee system work.

Some hon. Members: Hear, hear.

Mr. Roberts: But in spite of all his praiseworthy and admirable qualities, he has come up this time with legislation which is ill-conceived and ill-constructed. I agree with those members who have already spoken and suggested there is no real need for this legislation, and that what needs to be done is already covered by laws of libel and laws concerning public order.

I do not particularly wish to repeat their arguments, but I do wish to note the rather bizarre argument that the Minister of Justice presented last night to the effect that this new legislation cannot be both unnecessary and pernicious at the same time. It is exactly because it is an unnecessary restriction of freedom of speech that it is pernicious. Those measures which we now have dealing with libel and with public order are necessary because they deal with actions, with things which may lead directly to action, or because they deal with specific and identifiable, individual interests.

It is exactly because this legislation goes further and deals in a rather vague way with expressions of opinion in general areas that it is pernicious. I think it is not only pernicious; it is ineffective—ineffective in dealing with what its objective purports to be. One of the problems with this legislation is that if it were effective it would drive underground or drive into hidden areas those expressions and feelings which—if we are to combat them—because they are held in the minds of men, can only be combatted through discussion, argument and controversy.

There are, of course, defences in the legislation—rather bizarre ones. The first thing one should note about them is that they shift the onus of responsibility away from the Crown to the person who is accused. They place the onus of proving his good faith upon him, instead of placing the onus upon those who are attacking or condemning him. The very phrases which are used are so vague and general. The defences talk of "good faith". They talk about what is "relevant," about what is "reasonable." They talk about what a man "believes to be true." Again, they talk of "good faith." These phrases are phrases that apply to states of mind. They go to what a man thought or what he believed to be true. But, "there is no art to find the mind's construction in the face." It is very difficult to go into a person's mind to find what he truly believed, what he truly held, in good faith. How is the judge to interpret these rather vague defences which are presented within this legislation?

This legislation transfers to the courts in an indistinct and general way a whole area of limitation of speech which I contend it should be for politicians to define, and as precisely as possible, rather than for courts freely to interpret. These defences are so wide that you could drive a herd of drunken elephants through them. I have no doubt that even Adolf Hitler believed in good faith that the measures he proposed were ultimately for the general good. I suppose that almost all bigots, all those who have been imbued with racial hatred, had good faith in their opinions and believed them to be true. Under these defences, if taken literally, such people would escape prosecution.

If it were only a question of practicability, if it were only a question of whether the law would work, whether it could be applied effectively, then I would bow to those of greater knowledge and experience and, it may very well be, wisdom. But it appears to me that this legislation as proposed should be disposed of not only on practical grounds but on grounds of principle. I contend that it is ill-conceived; that it strikes at the very roots of the Liberal philosophy. It traduces the Liberal tradition.

Last night, when dealing with the philosophical aspects, the Minister of Justice said that the opponents of this legislation had been dealing in verbal gamesmanship. I am not exactly sure what verbal gamesmanship is, but I do recognize verbal straw men when I see them. The minister said there were three basic assumptions which were hidden and false. One was that opponents of this legislation believed that there were absolute rights. Another was that one had to be either a civil libertarian or not; one had to be either for or against. Those are the Minister's straw men.

These are not really the objections that the opponents of the legislation are putting forward. They agree, as he mentioned, that the question is not whether one is for or against free speech, but rather, what are the permissible limits of free speech. What are the permissible contours of freedom of speech and discussion? That is the question. What principles does one use to establish this delimitation? On what basis does one make that delimitation?

Hate Propaganda

I have looked through the minister's remarks, during the course of which he stated several alternative bases for the limitation that he has proposed. He talked about "outraged feelings of the community". He talked about the "total integrity" and "moral sense of the community"; about "standards of decency"; the "conscience of the community" and "articulated values". He talked about what is "offensive" what is "heinous" and what is "abhorrent". They are the bases for the limitations that he would like to impose. Finally, he said that the limitations should be what the government believes to be reasonable.

• (3:50 p.m.)

Members of the government and members of the committee, he said, who had studied this bill had tried to achieve a reasonable balance, a reasonable reconciliation, so that the conflicting legitimate interests of freedom of expression, on the one hand, and the protection of reputation and group identity, on the other, are balanced. "Feelings of the community", "abhorrence"; "what is believed to be reasonable by the government"—that is exactly the kind of rationale and justification for the limitation of free speech which liberals have fought for centuries. It is extraordinary what societies will consider at any time to be abhorrent. It was because the Athenians thought the views of Socrates were abhorrent that he was put to death. It was because the Romans felt the views of Christ were abhorrent that he was crucified. It is because Protestants have felt the views of Catholics to be abhorrent that they have tried to exerminate them—and Catholics the views of Protestants. Moslems have believed the views of Christians to be so abhorrent that they would prevent them from being disseminated. The church believed the views of Galileo to be abhorrent and tried to extirpate them from the books by command.

In this century, the people of Tennessee have thought that views on evolution were so abhorrent that they should not be allowed to be propagated. Within the last 15 years people in the United States have believed that views of Communism were so un-American and so abhorrent that they should not be allowed to be advocated.

Liberals have fought for centuries, as I have said, to develop bases for the defence of free speech on a basis other than the generalized conscience and moral feeling of the community. They go back to Pericles, 25 centuries ago, who said that in Athens we allow all men to come, and all men to speak and say what they will, and let all men judge because we have confidence in the discrimination and judgment of the people in our society.

This is the kind of view which John Stuart Mill expressed in the last century when he suggested we must allow ideas which are abhorrent and wicked to us to be presented and discussed because only in free discussion will one find the truth; only in the clash of ideas will one be able to determine what the truth is. By saying to a man that you will not allow him to present his views because they are so wicked or abhorrent, you are denying the possibilities of persuading him through argument. You are also denying yourself the chance of re-affirming and strengthening the views that you have by presenting them in contested arguments.

Liberals have drawn a distinction between actions and thoughts. They have said actions should be limited when they harm the interests of the community. They have said that thought should only be limited—this is indeed the whole theme and spirit that infuses John Stuart Mill's essays, "On Liberty"—when it transgresses specific and identifiable individual interests.

That is the principle which liberals have followed through the ages; the principle not that an expression was abhorrent, not that it was offensive, not that it was in bad taste, not that it went against standards of decency, but that it transgressed specific, identifiable, concrete, individual interests, not a vague, outlawing expression of opinion in one category, but a transgression of specific individual interests. Even in those circumstances, as Mill suggested, liberals have held that the advantage to society of having free expression of views greatly outweighs the rather minimal interference with an individual's interest which could occur with the expression of free thought.

The whole liberal belief has been that the wellspring of social progress lies in allowing people to express all their views, bizarre, wicked and pernicious though they may be, because they have believed that "truth is not put to flight in a free encounter," and that it is on this truth that social progress is dependent. Once we start to say that we can outlaw one set of ideas and prevent their expression because we consider them to be so abhorrent to us, or a sizable group in our community, it is very easy to go on and to find other views which are also abhorrent and to consider that these, too, shall be ruled out of discussion and

out of free expression. Indeed, that has happened, as I have just said, many, many times throughout history.

The liberal principle has been that you do not create sacred cows beyond the realm of discussion and contestation, and that when you create sacred cows you are weakening the foundations of liberal democratic society. Liberals have believed our society is strong enough, calm enough and tolerant enough that dark thoughts should be brought out and dealt with in the light of day through debate and discussion. A democracy which has lost faith in the judgment of its citizens has lost faith in itself. That is essentially what this legislation says to us. It says we do not have sufficient confidence in the judgment of our citizens that they will look upon these pernicious ideas for what they are and assess them correctly. We have so little faith in their judgment that we will prevent these pernicious ideas from being expressed at all.

I have not lost faith in the judgment of our citizens. I do not find in this proposed legislation a practical approach to dealing with what prejudices there are in our society. Moreover, it confounds and attacks a basic principle of what I believe liberal society should be. I cannot as a liberal, in conscience, support this legislation and shall, therefore, vote against it.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the speeches we have heard in this House on this bill make it clear that this is a matter upon which men of good will and good sense can very well differ. I want to rise and oppose the amendment introduced by the hon. member for Calgary North (Mr. Woolliams) as a wrecking amendment and I think it was no doubt intended as such. It emasculates the bill, make no mistake about it. It is impossible to be for the amendment and for the bill. One cannot enjoy that intellectual luxury.

True, the amendment will leave the genocide provisions in the bill in effect, but the major provisions of the bill are to be struck out if the amendment succeeds. These major provisions, may I remind the House, seek to put under the ban of criminal law the deliberate propagation of racial hatred. We have heard many praise liberalism and freedom of speech, and I concur with everything that has been said in that regard. I say there must be some reasonable limit and the limit is exceeded when people deliberately use propaganda for racial hatred.

The amendment was commended by the hon. member for Calgary North, in his usual forceful eloquence, in the name of freedom of speech, freedom of assembly and freedom of the press. It is my view that if any legitimate concept of freedom of speech, assembly and the press was affected by this legislation I would be the first to reject it and vote with him for the amendment. I do not believe this to be the case.

As the Minister of Justice (Mr. Turner) said so well yesterday, freedom of speech has always been subject to limitation. Indeed, I venture to assert that it is the right as well as the duty of Parliament to limit freedom of speech where to permit it would permit a clear and present danger of social evil. I agree with all those who say we must be vigilant to see that the words used in legislation of this sort are not so vague or so ambiguous as to prevent not only the evil aimed at but also to prevent legitimate expression of opinion, distasteful and critical as it may be.

I ask what does this bill do and I see very little in common between it and some of the remarks we have heard in the House on the bill. I am not referring to the genocide provisions. Proposed Section 267B(1), as has been pointed out, deals only with statements in a public place likely to lead to a breach of the peace. Who shall say that it is not the duty of any rational Parliament to restrain that type of conduct? It has been restrained from time immemorial and it should be restrained by law again.

What does proposed Section 267B(2) do? It deals with statements calculated to promote hatred, not in private conversation, but calculated with deliberate intent to promote hatred. If there is any fear amongst people that perhaps these expressions could be used more broadly, proposed Section 267(B) provides for defences. It provides a defence for truth; it provides a defence for religious argument; it provides a defence for fair comment on matters of public interest.

My submission is that the committee succeeded in putting this in clear, narrow, specific and strict language to deal with a clear and calculable evil, the promotion of racial hatred, which is not within the ambit of free speech in a civilized society. Surely, we are not to be deaf to the tragic lesson of history which is that evil men can and do exploit latent hostility or even ignorant hostility for their own purposes.

Hate Propaganda

• (4:00 p.m.)

I wondered when I listened to some of the speeches in this House in support of this bill whether the people had read the Cohen commission report. There were full and ample illustrations and examples of material which could only be explained as the deliberate propagation of racial hatred, palpably unfit to be disseminated in a democratic society, which could not by any stretch of the imagination fall within the ambit of free speech as understood under our traditions. Much has been said and much no doubt will be said—and it is suitable that it should be—against pollution of our air and water. There is such a thing as polluting and poisoning the minds of men. This is a tragic reality. It is an historic fact that we in this generation have been able to see for ourselves.

It has been said that you cannot legislate to make men good and that you cannot strike down attitudes of mind. I suggest that is not entirely a sound statement. Legislation is clearly an educative factor. In this very field of racial discrimination, provincial legislation representing the conscience of the community has expanded human rights in respect of discrimination in real estate deals, in providing accommodation, in employment and in other fields. This has had an educative effect upon our people. Legislation will not make us perfect, but it can help to mould public morality.

I wonder if those who are fearful of this bill have considered that equivalent legislation is being passed in all the advanced democratic nations of the world. Great Britain, the so-called mother country which has a great reputation in this field, has, perhaps reluctantly, passed legislation similar to this. The Scandinavian countries are at a similar stage and countries with a long and honourable tradition of freedom are almost unanimously ready to pass legislation of this sort. Should we discard the wisdom of these people and say we alone need nothing of this sort? It is said, and rightly so, that the law is one thing and morality another. No doubt there is a great gulf between the realm of public law and private morality. But to assert that law is not an important embodiment of public morality is simply without foundation. Criminal law does and should express a consensus of public morality.

This legislation is very important. It does not deal with non-existent fears but a very real and tragic evil that the history of this age has shown to exist, even at this very moment, when such hatred and racial discrimination are obsolete, odious and disastrous. Mr. Speaker, I urge the rejection of this amendment because I believe we would be doing a disservice to a sound concept of what is involved in freedom of speech if we turned down this legislation. The amendment is commended in the name of freedom of speech, freedom of assembly and freedom of the press. I believe we would be doing a disservice to a sound concept of what is involved in freedom of speech if we turn down, by a false cry of freedom of speech, a reasonable limitation upon that freedom of speech imposed in the public interest by this bill.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, about six years ago I had the privilege of standing in this House and supporting a colleague who is no longer here, Mr. Milton Klein, the then member for Cartier. I supported and seconded his motion in respect of a private member's bill dealing with the type of situation which is now covered by a government bill. I felt it would be important to remember what my colleague, Mr. Klein, did during the private members' hour in the form of a private member's bill to bring what I call a great social problem to the attention of Parliament and this country.

I do not suppose there is any piece of legislation on any issue that has received greater thought over a longer period of time. As has been stated in this debate, the principle involved in the original private member's bill received consideration at various stages. It was discussed in committee. It was before the Senate twice and was before the former committee on external affairs. My friend, the hon. member for Greenwood (Mr. Brewin), played a very active part in the proceedings before that committee. I am sure he will remind me if I am not correct when I say that I believe there were very lengthy hearings at which briefs pro and con were received from many people, and at which time people who did not have closed minds appeared as witnesses. These witnesses were people who understood the great social implication of what we were endeavouring to do. The government of the day decided that this question was important enough for the government itself to accept the responsibility of placing this legislation before us.

I wish to congratulate this government, and particularly the Minister of Justice (Mr. Turner), for taking the responsibility of bringing this matter before us for our consideration. I do not think I have listened to any

debate in which there has been less acrimony and less personal vindictiveness, such as we sometimes see in this House. I have been very pleased with the debate. I certainly accept the sincerity of all the opinions expressed. However, as a Liberal—and I address this particular statement to my friend across the way in the same party who feels he cannot support the bill—I fully support this bill. I have been fighting for such a measure for the past six years, as have a number of other people. Up until now many of the contributions have been made by members of this House who, by profession, practice law. I have had the feeling we are getting bogged down in the legal technicalities of the bill. Once this legislation is passed, if the House sees fit to pass it, the matter of the legal application of it may end up in the courts, where I suggest the points of law should be argued rather than in the House of Commons.

Along this same line, may I say that the other day I read some comments by the economist Galbraith about the way to battle inflation. He suggested one of the difficulties in respect of what we are doing now is that the experts, the professors and economists, are the only people who are having their say. So, today I stand here not as a professional person but possibly as a representative of the man on the street. I believe it might be helpful to hear from the man on the street in respect of this legislation.

In 1966, the Toronto *Daily Star* sent out reporters on the street to interview ordinary Canadian citizens about this matter. I would like to place the result of this interview on the record. No matter what type of a law we pass in the House of Commons, or what type of law is recommended by the law officers, I have a feeling a law is good only if it is accepted by the public. There are many laws on the books these days that are observed in the breach much more than by compliance. It makes a ridiculous situation when we have laws that are not observed, possibly because public opinion and the ordinary good, common horse sense of the man in the street have not been taken into account when the laws have been drafted.

• (4:10 p.m.)

In this particular interview, the question was asked:

Should free speech be allowed in public parks—?

I want to put these answers on the record because there are a lot of hon. members who have made contributions who have been wondering about the cut-off point at which free speech is no longer free speech because the purpose of it is to destroy the freedom of other people. Here is a lady, Mrs. Sadie Denley, a housewife, who says:

I believe in freedom of speech—as one's right under democracy. But the line has to be drawn somewhere when inflammatory speeches tend to incite the crowd to riot and violence, resulting in harm to someone. It is only sensible to exercise some restraint over speeches.

Here is Harry Jackson, a salesman, who says:

One's first reaction to any kind of censorship, particularly in speech, is to think of a police state. One should be free to voice opinions in what one believes. But to carry this to the point of accusing a certain person or race, colour and creed, or condemning them, goes beyond freedom of speech. This is downright unacceptable to any intelligent person.

Here is Norman Thornley, a salesman, who says:

When a speech tends to insult one's religion, race or colour, whether of an individual or collectively, in a public park or anywhere, then it constitutes slander. Preventing this kind of speech isn't censorship. It's just a sensible, legal restraint.

Here is Bill Graham, a sales representative, who says:

As with any privilege, it can be abused.

He is speaking of freedom of speech.

No one has a right to a freedom that would permit excessiveness that results in violence, destruction and harm. This constitutes an attack on society. And preventing this extreme does not constitute censorship.

Here is Harold Nissenthall, a company employee, who says:

Every individual should be allowed to voice his feelings and opinions. But singling out some individual or group, and hurling abuse and insults at them, can never be regarded as coming within the legal claim of freedom of speech.

I suggest, Mr. Speaker and colleagues, that the opinion of the ordinary man in the street, the man who does not perhaps understand the technicalities of law but does understand some of the social problems and social evils we have in our society, is equally valid and may be more important than some of the technical legal arguments that we have heard in this House of Commons today.

Not because it was a particularly good speech but because it went to the centre of my thinking, away back in 1964 as a matter of fact, I would like to quote from a speech which I made in the House of Commons at that time. I would like to say that, in my judgment, these people who are able to spread hatred because of the present lack in

the law have in their hands a time bomb, a poison vial, that can really be more destructive of our society and our human relations than possibly a military bomb.

On that occasion I said:

These enemies of society, these wreckers and destroyers of other people's lives—

Because that is what they are.

—use freedom of speech to destroy other freedoms equally important—

Perhaps freedom from fear should be considered to be a right of Canadians equal to freedom of speech, and also freedom from persecution. Hate propaganda racists are people who are so bitter in their hatred that they blame other people for their frustrations, and the next step most of them take is to use democracy to destroy democracy. They use freedom of speech for themselves to destroy the freedom from fear of other people.

The racists always use these methods. Surely the persecuted, the good citizens—

I am taking this out of the context of talking only about one group, a minority of people in this country. Canada, Mr. Speaker, is a country of minorities.

Surely the persecuted, the good citizens, deserve the same sympathy and consideration and freedom which apparently exists under the present laws for the rotten racists and their followers.

Surely, the good people have a right to the protection of some law that the absence of law now gives to the racists.

These...unbalanced bitter people are using our laws to make fools of us all.

We are in a new era in a troubled time, Mr. Speaker. We are in an era of great disturbance in societies all over the world, and I believe we have to achieve a new dimension in human relations if society is going to hold together. I cannot think of any country better equipped than Canada, that has so few of the problems bothering other societies in the world, to encourage the establishment of good human personal relations as an example to the rest of the world of what a liberal, open society should be doing.

Violence and the threat of violence endanger our society. They endanger the peace. We must counteract within the framework of the law the racists who are here. They are in our midst. They are here to disturb us. As I say, we must counteract within the framework of the law these racists, otherwise violence as a principle has won out over law as a guiding principle upon which a civilized society should be based. If we have no laws now to protect the basic right of people to live undisturbed, unthreatened lives, then surely we must make those laws. As individuals we cannot take the law into our own hands, although I can imagine and I know of instances in this country and in other societies where people driven to frustration because they do not have the protection of the rest of society, reach the point where they say, "Nobody will protect us. There is no law to protect us; therefore we must take the law into our own hands." One does not have to look very far from the borders of our own country to see where this sort of thing is taking place. I would think that a very small step at this time, by way of a very mild law, may preclude the necessity in the future of something that would be abhorrent to us all. I refer to the passage of some law that would have authoritarian strength in it of a kind that we would not want.

[Mr. Walker.]

We cannot take the law into our own hands or we would destroy the very thing we are trying to produce, a country and a world of peace and order, in which we may all live lives of creativeness and purpose without the fear of having our freedoms destroyed. And, Mr. Speaker, all I ask is the same protection, the very same protection for the good people in this country, for the non-racists in this country, for the decent majority of citizens in this country, as presently exists for the racists who are apparently determined to destroy our Canadian society. I will certainly be supporting this bill.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I rise to support the amendment that is before the House. I do so for a number of reasons, some of them already aptly expressed by the hon. member for York-Simcoe (Mr. Roberts). In passing, I must say it was interesting to note the differences in opinion between the hon. member for York-Simcoe and the hon. member for York Centre (Mr. Walker).

It is all well and good to go out and interview people on the street about a proposed piece of legislation designed to limit the freedom of speech, and ask them whether they like it and whether at any time freedom of speech should be limited, but we cannot place much reliance on the opinions that are gathered that way when the persons interviewed have not had the intent of the bill explained to them. It really lends very little weight to the argument used by the member for York Centre (Mr. Walker).

• (4:20 p.m.)

I have nothing against the provisions in the bill which outlaw genocide, and I suppose nobody will find fault with that aspect of it, but the rest of the bill gives me a great deal of concern. We can talk about guarding freedom of speech, but we must of course accept the responsibility that goes along with all our freedom. If in this piece of legislation we must place some limits on the freedom of speech, are we not really just getting out of accepting responsibility for doing so? I think we are. We are shelving our responsibility by saying that the society in which we live will no longer accept responsibility for its acts and, therefore, we have to legislate control. Surely, in this country we have not gone that far, though some people may believe that society is slipping. This piece of legislation might be justifiable in some of the underdeveloped countries where there is a tendency to create hatred, riot and violence and so on, but as one of the better educated countries of the world surely we have not slipped that far. Surely, with our level of education, we are above that.

The bill attempts to define hate literature in this way:

> "hate propaganda" means any writing, sign or visible representation that advocates or promotes genocide or the communication of which by any person would constitute an offence under section 267B;

Now, section 267B is the one that worries me, Mr. Speaker. It reads:

> Every one who, by communicating statements in any public place, incites hatred against any identifiable group—

I ask the Minister of Justice (Mr. Turner) or any other member of this House, through you, Mr. Speaker, what would have happened if a bill like this had been in the hands of some of the governors in the southern United States who were faced with people trying to bring about better conditions? Would these people not have been accused of inciting riots, inciting acts of violence and hatred? Would the governors not have used legislation like this to confine and regulate the minority? I do not want to name any of these governors but we have seen them on television and have had them here in our country. We have seen their attitude to some of the justifiable uprisings that have taken place, and here I am going back to the beginning of the recent upheavals in the United States six or seven years ago. What would a bill like this have done, and how would it have been used?

Many members have said that this bill will never be used. If the person who may use it is fair and broadminded, then no harm will come from it. In trying to protect minorities, we may well be harming or limiting the expression of thought of those minorities. I cannot emphasize this point too much. When we think of the uprising in the country to the south of us, and I am thinking of some of the southern states where there has been an uprising of an identifiable group for a justifiable purpose, a bill like this could have been used to control the measures taken to bring about social change and better conditions.

One of the good things that may come out of this bill, Mr. Speaker, is that it may limit the CBC, something which nobody has been able to do. Nobody has been able to limit what we see on our television screens. Some years ago the leader of the Nazi movement in the United States, as I think it was called, a Mr. Rockwell, was brought to Canada. Had this bill been passed then, I suppose he could have been accused of promoting hatred in a public place. I am sure the television screen could be defined as such. One could say the same of Stokely Carmichael and some of the other agitators on the North American continent who are brought to this country from time to time by the CBC. So perhaps, Mr. Speaker, one good thing that will come out of this bill is that somebody somewhere will place some control on the CBC. That is a very negligible amount of good to come out of a piece of legislation which could otherwise be so very harmful, which could disrupt and divide a relatively united country. People who have worked side by side and fought for social change are divided on this legislation. Some say it is not necessary and some say it will never be used. Why bring it in if it is so poor?

What are the benefits of this legislation and how is the application of it going to affect the man on the street? Well, he is going to be limited. The committee changes subsection 2 of section 267B and added "other than in private conversation". I suppose this means that one has to be talking to more than one person, but it still does not mean that one can say what one wants to two or three people in one's own home. The effect, therefore, is limiting to that extent and changes the whole principle of our legal system. This afternoon Your Honour suggested that it creates equality in the eyes of the law; I think Your Honour saw a lot more in the bill than I do. I think it changes the whole concept of our law

that a man is innocent until proven guilty. If a man is accused under this law he is automatically guilty and then has to use the defences provided in the measure to justify his statements or publications. If in using these defences he can prove that the statements were absolutely true, he is not guilty but it is up to him to prove it.

Section 267B (3) reads:

(b) if, in good faith, he expressed or attempted to establish by argument an opinion upon a religious subject;

This means he could use the defence that he was only expressing the idea to promote discussion and argument, that he did not believe what he said. I suppose he could get around the charge that way. I believe that defence would make it very difficult to convict anybody who had good legal advice.

Section 267B (3) (c) reads:

(c) if the statements were relevant to any subject of public interest, the discussion of which was for the public benefit, and if on reasonable grounds he believed them to be true;

• (4:30 p.m.)

I suppose one could incite a riot if one thought it was for the public good. I watched television once and saw a member of the Ontario Legislature, Stephen Lewis, interviewed. He as much as said, "Riots are all right; a little violence does not hurt. Sometimes it brings about change, and that is good for the country." He more or less said that on television. Clearly, he was indicating that violence was in the public interest; that it was good for the public. This is a matter that is dealt with in subparagraph (c). I ask, were the people who attempted to burn the Murray Hill garage acting in the public interest? True, they were not an identifiable group, but violence and hatred were certainly displayed in their actions. One man was killed.

To me, this is poor legislation. What is the aim of the Minister of Justice? In which direction is he leading Canadian law and our legal system? I am no lawyer, but having looked at the defences set out in the bill I can safely say that it is a good thing the Minister of Justice is not in practice and attempting to defend someone who has contravened the provisions of this bill. I do not think a practising lawyer would have introduced a bill like this with so many weaknesses and loopholes.

Subparagraph (c) reads in part:

—and if on reasonable grounds he believed them to be true;—

If charged, I suppose I would have to convince the judge and jury that I really believed my utterances were true. I would then say, "I am sorry Your Honour; I thought my utterances were true, but I now realize they were not true. Please do not convict me." I suppose a lenient judge might say, "I believe you had reasonable grounds for believing your utterances to be true and, as a result of your defence, the court cannot convict you." I should get off scot-free. Will this bill not benefit the so-called martyr, the real kook who advocates violence and who puts out hate literature that is directed against an identifiable group? Will passage of this bill not mean that the would-be martyr will gain a platform for the dissemination of his ideas? There will be court cases which will be reported by newspapers, and the would-be martyr's utterances and hatreds will be fully reported. That is the type of person this bill will benefit, the person who wishes to become a martyr, who wishes to be tried in order to secure that publicity which will further his views in our society.

An hon. Member: An example being the Chicago Seven.

Mr. Horner: Yes, the Chicago Seven. Subparagraph (d) reads in part:

—if, in good faith, he intended to point out, for the purpose of removal, matters producing or tending to produce feelings of hatred towards an identifiable group in Canada.

What that means it is hard to say. The bill is weak because the defences enumerated would allow almost anybody to escape the punishment he may or may not deserve. As I say, passage of this bill will mean that would-be martyrs will be assured of newspaper coverage of their trials. They hope thus to publish their views. Really, no man will be convicted under this bill unless he, himself, wishes to be convicted. To my mind, the bill will limit the workings of the CBC, benefit the would-be martyr and do little else for the good of our society. Surely, we could better spend our time in this House promoting better education and better understanding instead of promoting existing divisions.

Some hon. Members: Hear, hear.

Mr. Horner: Because that is what the bill does; it promotes existing divisions. It says there is no cure for them and therefore we will penalize anyone who tries to create divisions. That is a very negative way of thinking, and a surprising way of thinking for the

Minister of Justice who I thought at one time was rather forward thinking.

Mr. Baldwin: He is contaminated by his colleagues.

Mr. Horner: I urge the Minister of Justice to withdraw the bill. It ought to be withdrawn; and the reprinted version should include the clause respecting genocide, but nothing else.

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker—

Mr. Muir (Cape Breton-The Syndeys): I see the government has at least one supporter.

Mr. MacGuigan: I should like to think that there are some supporters of this bill on the opposition side as well. With respect to the sum total of the arguments which have been made for the amendment and against the bill, I must say that, while some of the arguments have been cogent, many, I fear, have been specious. As the Minister of Justice (Mr. Turner) said last night, they are sophistical arguments.

A few minutes ago the hon. member for Crowfoot (Mr. Horner) raised the question whether certain kinds of riots would be exempt from the provisions of the bill. The defences he referred to are not defences to offences under the public order section; they are defences to offences dealing with the distribution of hate propaganda, and there is no such question which really arises as a result of this particular bill.

I trust the hon. member for Calgary North (Mr. Woolliams) will not object if I single out his address for particular attention. I believe it is fair to say he was the official spokesman for the opposition on this subject. In his speech yesterday he referred many times to the words "ridicule and contempt". Of course, the traditional common law phrase with respect to criminal defamation was the phrase "hatred, ridicule and contempt". I am sure all hon. members know that the word "ridicule" was dropped by the Cohen Committee in its wording respecting the new offence of group defamation. The word "contempt" was eliminated by the Standing Committee on Justice and Legal Affairs during its deliberations. The only word that remains of this original common law triad is the word "hatred". Therefore, the references the hon. member for Calgary North made in his rhetoric to ridicule and contempt are, I submit, beside the point.

He also referred to the speeches of Kennedy and King. I am not sure which Kennedy he meant. In any case, I would suggest that he would be hard put to find statements by those men which are incitements to hatred. Men like Kennedy and King do not need to resort to hatred, do not need to resort to attacks on another person who is a member of the natural groups protected under this bill, in order to make their points adequately. Nor need anyone resort to such attacks in order to carry on the kind of dialogue which is necessary in a democratic society.

Mr. Woolliams: Will the hon. member permit a question? I did not say these men were either professing or promoting hatred. But would he not agree that it was because of hate—it may have been paranoic hate—that Robert Kennedy was assassinated?

Mr. MacGuigan: I agree, and that is the very type of hate this bill is attempting to curb.

Some hon. Members: Hear, hear.

Mr. MacGuigan: A substantive argument, although I am not sure that it is more substantial, is that with regard to selective protection for groups. Selective protection is not unknown in the law, Mr. Speaker. The Canadian Bill of Rights, which was originally sponsored by hon. members who now sit in opposition and which was heartily endorsed by hon. members on this side of the House, selects, among the rights it will protect, the freedom of speech, freedom of assembly and so on. It does not put on the same level the equality of the sexes, the right to privacy and the liberty of employment.

The question is not whether there is selective protection, but what is the basis of the selection. We should know that the protection is not, despite some of the comments which have been made, proposed to be given to groups. The protection is to be given to individuals in their capacity as members of a group; it is to be given to individuals who may be attacked because they are members of a group. The whole thrust of this legislation seeks to protect individuals in a way they were not protected at common law and in a way they were not protected by statute previously.

After all, Mr. Speaker, in earlier centuries we did not have the same consciousness of groups that we now have. We did not realize that what might be said about a man, his group capacity and his membership in one of

these basic groups, could hurt him just as much as a comment that was made about him directly as an individual with reference to his own individualizing characteristics.

• (4:40 p.m.)

The selectivity of protection of this bill is its very strength. The basis of this selectivity is to protect a man in his membership in those groups which are most natural and most basic to him, the groups to which he belongs almost by reason of his very being. As the history of mankind shows, group membership has produced the greatest degree of hatred throughout human history. This is the basis of the protection and the selectivity of the protection which this legislation attempts to give. This selectivity is its strength.

Another argument made by the hon. member for Calgary North deals with the adequacy of the present Criminal Code. The hon. member referred to section 60 and the sections immediately following which deal with seditious libel. I submit that this argument and his reference to the Boucher case reveal a misunderstanding of the focus of this legislation with which we are now dealing in comparison to the traditional sanction against sedition.

Sedition is a concept which has to do with the relationship of the individual and the state directly. It classifies as undesirable conduct certain kinds of agitation by individuals which is directed against the government and attempts to overthrow the government or, in earlier days, the person of the monarch. This is not the purpose of this legislation. This legislation is not directed to protecting the government, but to protecting other people in society. It is directed to protecting some of the weaker and more vulnerable people against those who may attack them. It is not an attempt by the government to protect itself. The focus of this legislation is not the same as legislation dealing with sedition. The comments made respecting the Boucher case, I submit, are not applicable to the present legislation.

Another example of the supposed adequacy of the Criminal Code is section 64 and the sections immediately following, culminating with the proscription of unlawful assembly in section 67 where it requires for proof of an unlawful assembly, an assembly of three or more persons with an intent to carry out a common purpose. In order to establish guilt under this section, it is necessary to prove that at least three people came to a meeting with a common purpose. That is not always possible to prove.

A third argument was made. This argument, I believe, raised very basic problems about the bill and whether or not, as the hon. member for Calgary North argued, it is crisis legislation. I submit it is not crisis legislation. It is problem legislation. It is not crisis legislation because it is not extreme. The hon. member for Crowfoot attempted to demonstrate how weak the bill is because of the breadth of the defences. Without agreeing with his interpretation of the bill, I say if this bill errs, it errs on the side of favouring free speech.

It is not crisis legislation in the sense that it is not stringent legislation. It is far less stringent than the Race Relations Act in Great Britain which allows no exculpation of the conduct which is condemned. It also is not crisis legislation because no one who is supporting the bill is talking about a crisis in this country. We do not have a crisis. Like most other countries in the world, we have a problem and, like most other countries in the world, we need legislation equal to that problem.

Mr. Woolliams: What's the problem?

Mr. MacGuigan: The hon. member asks, "What's the problem?" I will review some of the facts set out in the committee report. The current hate campaign which that report refers to began in early 1963 and continued on to about 1966 or 1967, when it lay quiescent for a short time before it again sprang up. This campaign was carried on in eight provinces of Canada. It was perhaps carried on in the other two provinces as well but we do not have the same type of public evidence with respect to them.

I will not deal with all of the instances. They cover about four or five pages in the report of the committee. I wish first to draw to the attention of the House the situation which existed in the province of Ontario. The first distribution of hate materials began in April, 1963 in the city of Toronto. There was hate distribution in July and September. In October, there were four instances; in November five instances, and six instances in December. This was in the year 1963, before the campaign gathered momentum.

As examples of some instances of distribution of hate literature, I wish to quote examples from 1964. The report reads at page 20:

> On January 15, five hundred leaflets entitled "Special Bulletin" were picked up by an apartment

administrator from tenants mailboxes in apartment houses along Don Mills Road, Victoria Park Avenue and Eglinton Avenue East in Toronto. The leaflets all had special "hate" messages typed on the reverse side.

At page 21 it reads:

On September 7 and 8, the dates of the Jewish New Year, one of the most solemn of Jewish religious holidays, a green card was received in the mail by many members of the Jewish Community in Hamilton and Toronto. The card, mailed from Toronto, depicted a Jew fleeing a large swastika, and contained the words "Thith ith the end".

On February 19, 1965, it was reported that hundreds of anti-semitic leaflets were found strewn in cars parked on the main streets and in parking lots in North Bay, Ontario. Others were reported found in the doorways of retail shops.

Some of this circulation was through the mails. Other distribution was by placing them on the streets, in shops and by hand in apartment buildings.

In Quebec there were instances of distribution in 1964 and 1965. There were instances of distribution in 1964 and 1965 in British Columbia. In Alberta, a certain amount of hate literature distribution occurred in December of 1964, in Calgary. In Saskatchewan, in April of 1965, a number of pamphlets were mailed from the Vancouver branch of Natural Order to residents of Saskatoon. In Manitoba in September of 1964, several pamphlets, including one entitled "Communism is Jewish" were mailed to the principal of a high school and others in Winnipeg.

There was distribution in New Brunswick in 1965. Pamphlets were mailed from Frederiction, New Brunswick, to people in Moncton and Saint John. In 1964 in Nova Scotia a number of pamphlets were mailed to people in Dartmouth. This is a brief summary of the distribution of hate material contained in the report of the Special Committee on Hate Propaganda. This recital ends with the completion of the committee's work in the fall of 1965. I have not had an opportunity to complete a similar survey of all the instances of hate literature which have been distributed since that time.

I wish to refer members of the House to several other kinds of events which occurred in Toronto. After the founding of the Canadian Nazi party on April 20, 1965, these incidents occurred by way of reaction to attempts to distribute messages of hate. I will illustrate that, in matters of this kind, the reaction is something which the law has to take cognizance of as well as the actual commission of the offences under the present criminal law.

After the founding of the Nazi party in Toronto in 1965 and the setting up of a headquarters, a Nazi rally was called at Allan Gardens on Sunday, May 30. A crowd began to gather about noon, although the meeting was not called until two o'clock. By that time there were about 5,000 people in the park. When John Beattie entered the park he was immediately spotted by members of N3 Fighters Against Racial Hatred and was tackled, kicked and beaten before police could rescue him. A mob of about 500, many carrying sticks and clubs and shouting "kill, kill, kill", also chased and attacked a number of youths believed, in most cases wrongly, to be nazis. Fifty policemen eventually restored order and arrested nine men, including Beattie. Because of a lack of time, I will not go into all the difficulties which the Toronto City Council had in grappling with the problem as to whether to grant permits for meetings in the park.

• (4:50 p.m.)

On July 25, after he had been twice denied a permit to speak in the park, Beattie and seven other nazis attempted a silent protest march through Allan Gardens carrying a swastika banner and two green maple leaf flags. As the nazi group marched into the park, two mounted policemen rode on either side. Suddenly, a small group of about 20 men jumped up from park benches, rushed the Nazis and beat them with fists and with their own flagpoles. A further incident occurred in 1966 when, as a result of a change in the park rules, Beattie was able to obtain a one-hour speaking permit for Sunday, June 5. He arrived at about 2.10 p.m. and walked through the park surrounded by police. As he began to speak, the crowd, estimated at 4,000, closed in on him, but mounted policemen pushed the spectators back and ringed Beattie for the rest of his speech. A similar meeting on Sunday, June 19, led to a near riot. Although the crowd, numbering about 1,200, was smaller than on June 5, its mood was uglier despite the presence of some 200 policemen. Beattie's half-hour speech dealt almost exclusively with Jews.

There is one further incident of this kind to which I should like to draw your attention, Mr. Speaker, before coming to a conclusion. On the night of July 6, more than 1,000 angry anti-Nazi demonstrators jammed Nathan Phillips Square in front of City Hall to denounce the city's free speech policy. Marchers included many victims of nazi persecution in Europe. The conclusion I should like to

suggest after this recital is that when there is a manifest lack of provision in the law, a manifest injustice with which the law is unable to cope, people are tempted to take the law into their own hands. Indeed, in some of the cases I have cited the temptation was too strong for them to resist; an enormous problem was raised for those responsible for law enforcement in Toronto as crowds of between 4,000 and 5,000 took part in near-riots, creating scenes almost beyond the control of the police in attendance.

This summary of events in Toronto illustrates the effect which a persistent hate group can have on the public life of a large metropolitan area and, what is perhaps even more important, the depths of passion and the extent of opposition which can be aroused by way of reaction, especially in a community some of whose members have had first-hand experience of nazi tyranny and inhumanity. It also brings to light the difficulty of handling such a situation through legal means, especially at the municipal level. The Toronto City Council, in the absence of a law adequate to control the activities of the nazi speakers, tried to handle the situation by preventing speakers from using the parks, in other words, by preventing people from speaking before they had been given a chance to air their views. It is one thing for a law to impose liability on people after they have spoken, but prior restraints are anathema in a democratic society. Yet even knowing this, and probably agreeing with my view, the city council acted as it did because it felt it had no choice in its attempt to deal with the crisis situation which arose at that time.

I should like to say a word, now, about the anti-Jewish messages which were available over the telephone in Toronto last year. I do not present this as being an extreme kind of threat because, obviously, a person had to call a particular number before he could get the message. Nevertheless, the fact that people can indulge in this kind of attempt to hurt other members of their community proves that the spirit of hatred is still abroad in some of our cities.

Since the hon. member for Cape Breton-The Sydneys (Mr. Muir) is present in the chamber I will also refer to the hate material to which he drew the attention of the House earlier in the year. It is clear that hate material has not vanished from this country, and that its distribution continues.

The situation does not constitute a crisis, though there have deen crisis situations in Toronto. What we are facing is a serious problem, one which we should not attempt to measure only in terms of its quantitative influence. This is primarily a qualitative problem. The real threat arises because material of this kind can, because of its cleverness, its subtlety, affect the thinking of people, leading them to accept views to the detriment of their neighbours which they would not otherwise hold.

Such literature corrupts the majority, but more important still is the danger in which minorities are placed. Social psychology has shown us clearly that the effect on minority groups of constant subjection to hatred and prejudice is etxremely destructive. We are seeing the effects in the United States today in the growth of movements such as the Black Panthers. These are movements toward self-assertion. In other areas, the result is a feeling of unworthiness and withdrawal. Not many studies of this kind of thing have been made in Canada, though a number have been completed in the United States. However, I noted recently a report of a study conducted on an Indian reserve in western Ontario which supports the conclusion that Canadian Indians have a negative self-image. This thesis was based on a study conducted among small children, in which the children showed a preference for dolls of a colour other than their own.

Hate propaganda, like prejudice of all kinds, is destructive. It is destructive of the majority because it corrupts the majority, and it is destructive of minorities because it can place minorities in a position where they are made to feel unworthy.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Winnipeg North Centre (Mr. Knowles)—Social security—Inquiry as to tabling of white paper; the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas)—Industry—Criteria for payments to automobile companies; the hon. member for Elgin (Mr. Stafford)—Agriculture—Prince Edward Island—Grants to establish tobacco farms vis-à-vis anti-smoking campaign.

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

[*English*]

Mr. Forest: There have been discussions between various hon. members, Mr. Speaker, and I believe there would be general agreement to our proceeding to item No. 4., Bill C-37, in the name of the hon. member for Parkdale (Mr. Haidasz).

The Acting Speaker (Mr. Béchard): Is it so agreed?

Some hon. Members: Agreed.

PRIVATE MEMBERS' PUBLIC BILLS

DISCLOSURE OF NAMES OF DRUG ADDICTS

MEASURE TO PREVENT PUBLICATION

Mr. Stanley Haidasz (Parkdale) moved that Bill C-37, respecting disclosure of names of drug addicts, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

• (5:00 p.m.)

He said: Mr. Speaker, in introducing the second reading of Bill C-37, I should like to preface my short remarks by saying that no current social illness is more threatening today in our country than that of drug abuse. The abuse of drugs and its consequences can be disastrous to the mental, physical, social, moral and economic health of individuals. The drug abuse problem affects not only individual drug users but also their families, friends, employers and their country. The great challenge that the drug abuse problem poses today is one which we legislators must face and to which we must also strive to find solutions.

I welcome this opportunity to bring to the attention of all hon. members Bill C-37, the purpose of which is to prohibit the publication of the name of the person so charged without special leave of the court, so that, among other things, a distinction can be made between the addict and the drug pusher.

The concept underlying this bill maintains that publishing in the newspapers the name of a person charged with possession of narcotics, including the non-narcotic drug marijuana, tends to destroy the character of the accused, who is often a teenager. It tends to destroy the careers of students and other persons, adversely affects their families, and makes rehabilitation more difficult.

The federal government is now endeavouring to learn more about the drug abuse problem in our country by the establishment of a federal inquiry into the non-medical use of drugs. This will enable the government to learn more about the drug abuse problem so that adequate and sound legislation may be enacted as soon as possible.

In perusing literature on the drug abuse problem, statements and recommendations made by experts in this field urge lighter penalties, especially for offences relating to marijuana which should not be classified as a narcotic. Spokesmen for the Ontario Alcoholism and Drug Addiction Research Foundation have stated that, generally speaking, the creation of opportunities for lesser penalties for illegal possession as opposed to trafficking of various drug substances is a move in the right direction. It is believed by these experts that in the long run we legislators should seek to transfer drug abuse problems from the realm of criminal offences to the realm of treatable health conditions.

The traditional response whereby legal control mechanisms alone are seen as the only way to solve these problems is inadequate. I should like to quote, to prove this point, a few paragraphs contained in the brief of the Canadian Medical Association entitled "Non-Medical Use of Drugs with Particular Reference to Youth", made public in November 1969:

> One area of increasing agreement has emerged: the continued disdain of marijuana users for punitive legislation has forced us to re-examine the justification for and consequences of laws which treat the misuser of any drug as a criminal. Growing numbers of prominent individuals, committees and organizations are now demanding a more realistic approach, through restructuring of the drug laws, more accent on education, intensification of research, and provision of diagnostic and treatment facilities. It has become obvious that existing laws have had little influence on the spread of marijuana use and that to impose a criminal record on a young person for simple possession is self-defeating and often destructive. In Canada, within the past 12 months, many concerned groups have passed on resolutions to the federal government recommending that simple possession of marijuana be no longer treated as a criminal offence punishable by imprisonment.
>
> The Drug Habituation Committee of the British Columbia Medical Association concluded that "the harshness of the law outweighed the probable danger of marijuana itself and that the rigid application of the law would likely give rise to social ills exceeding those inherent in the uncontrolled use of the drug itself."

The brief goes on to mention other statements by experts in the British medical journal *The Lancet,* in the article written by Dr. Yolles, director of the United States National Institute of Mental Health, and others. All of them point to the fact that the present criminal law is too harsh on people who are charged with possession of certain narcotic drugs, including marijuana.

This is why I have introduced Bill C-37 in this House. It will give all hon. members an opportunity to express their views on the two clauses in the bill, which propose to prohibit the publication of the name of the person so charged without special leave of the court so that, among other things, a distinction can be made between the addict and the drug pusher.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the bill before us is a good, neat bill. It makes one point and makes it rather well. I think it is an exciting and interesting bill, one that I intend to support. I know a great number of my colleagues are of the same opinion, and since there are probably a number of members who would like to take part in this debate I shall try to keep my remarks as brief as possible.

In the justice and legal affairs committee recently, the commissioner of the Royal Canadian Mounted Police advised us of the statistics relating to convictions for various offences connected with the non-medical use of drugs in Canada. Within the last year or two the rate has gone up 85 per cent over what was the average for the previous few years. So, I suggest it is pretty obvious that we are dealing with a rather substantial problem when we consider the number of cases involving drugs that come to court.

I think the sponsor of the bill made a very valid point, one that I think cannot be emphasized too much. He said that what happens to a person convicted of drug offences does seem, in today's circumstances, to be quite out of proportion. Careers can be ruined for the smoking of one marijuana cigarette. A career in the professions, for example, can be lost upon conviction of this sort of thing. Therefore, it is time that we looked at all the penalties that fasten on to the non-medical use of drugs and substances like marijuana.

The bill could, of course, have been wider in scope in this sense, but I would not want in any way to oppose it since it does deal with one particular point. This point is a good place to start. This afternoon I hope that the House will give second reading to the bill, if only for the purpose of getting it to the committee where this problem could be examined. Perhaps the sponsor would not feel particularly aggrieved if the bill did not come back or if the examination there were somewhat extended. However, somewhere along the line we do have to get our teeth into legislation dealing with the penalties which are imposed for narcotic and non-medical use of drug offences.

• (5:10 p.m.)

The hon. member is to be complimented for suggesting a very practical measure, indeed. In the next year, of course, Parliament will be faced with the problem on a wider scale when the LeDain report is before us, and when the government has had a chance to suggest the measures it intends to initiate. But certainly the discussion in Canada which is going on now is a pretty important discussion, that is whether the narcotics problem is a criminal law problem or a medical problem. It has always struck me as absurd that any night in Canada hundreds or thousands of men are hauled in to local hoosegows and then the next morning brought into court for being drunk in a public place. To me alcoholism is part of the problem with which the hon. member is concerned in presenting in this measure. It seems to me more of a medical problem than one to be treated by putting people into dungeons or gaols, even the best of those. These are issues which will stir all Canadians. I was pleased to note that one province at least is not treating the alcoholic as a quasi-criminal, and I hope other provinces will follow that step.

I am glad that the hon. member, while he is not really taking a direct whack at the question of a criminal record for those who are caught for the non-medical use of narcotics, is at least seeing to it that they are spared public notoriety. I have some question as to the part of his formula which would allow, by special leave of the court, the names to be made public in the news media. I think that probably should be amended in some way because it should not be left too much to the discretion of judges who may have great sympathy for this problem or may have none whatsoever. That is only a very small, niggling issue in my mind.

By and large, I can support the measure with a full heart. I hope this afternoon it will be sent to the committee where we can start getting our teeth into this very large and worrisome problem in Canada.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I find it very difficult to consider the bill of the hon. member for Parkdale (Mr. Haidasz), since it is so deeply related to the problems of narcotic addiction, marijuana, amphetamines, speed or what have you. I find little rationale in confining the measure to the non-publication of the names of the accused in cases dealing with narcotics.

To my mind, the principle that should be established in this bill, and I think it would be something worthy of consideration by this Parliament, is that the name of any person charged with any criminal offence should not be published until such time as that person has been convicted. If we are going to give credence to the doctrine of reasonable doubt, which applies equally to cases under the Narcotic Control Act as to the Criminal Code or any other criminal statute, that is that no one is deemed to be guilty until they have been proven so beyond a reasonable doubt, then it seems to me that no person's name should be published until after his conviction.

I think the hon. member for Parkdale is quite correct, that the mere laying of a criminal charge does a great deal to destroy the reputation and character of a person in the community. Very often the news item that the person has been charged appears, but sometimes no mention is made of the fact the person was acquitted at some subsequent date. This is particularly true when the case gets into the court of appeal after the original conviction. A bill of this nature might go a long way, if it were extended to cover all criminal offences, towards taking the sting out of charges against people when those charges are subsequently dismissed.

On many occasions it is not only the accused who suffers so far as defamation of his character is concerned. All of us who have practised in the criminal courts have seen situations where witnesses were subjected to far greater abuse than the accused himself. This can often be so in the very degrading sexual cases which we have been so unfortunate to have occur in our communities from time to time. There is nothing more difficult for a woman, the complainant in a rape case, than to be subjected to a strong and far-reaching cross-examination on the most intimate matters and the most distasteful subjects of evidence that can come before our criminal courts.

It might well be, as I suggest, that this bill would form good legislation. I am somewhat surprised that the hon. member for Parkdale confined his remarks to young people, because the bill does in substance apply to any person, as it should. I know the hon. member has in mind the provisions of the Juvenile Delinquents Act which prohibit the publication of the names of young offenders who are processed in the juvenile courts. The report on juvenile delinquency that was prepared some years ago by the Department of Justice dealt with this particular subject and expressed the thought that this practice should not only be clarified, because it is not too clear in the present act, but that it should be extended. The report reads at page 140:

> Under the Act the ban on identification of the child is addressed to "newspapers and other publications". Doubt has been expressed as to whether this prohibition extends to radio and television. These doubts should be removed and the legislation should indicate clearly that identification of the child through any media whatsoever is prohibited without special leave of the court.

The hon. member for Parkdale knows that the report of the Justice Committee on Juvenile Delinquency supports the principle of his bill. What he is doing is extending it to adults. I think that is a very good thing. From time to time in our criminal courts the press have been asked by the presiding judge not to print the name of a particular witness or a particular person, and the good press of Canada have certainly obliged the judge by refraining from so doing.

I am a little concerned with the provision in the bill relating to getting special leave of the court. I cannot conceive of any situation where an accused person should have his name published if he does not wish to have it published. There are situations where it might well be that an accused person could find witnesses in his favour if his name were published. I think the bill would be better framed if it applied only to cases where the accused gave special permission.

In closing, I hope the hon. member for Parkdale will have the time to consider the bill I have pending, Bill C-154, which would also prohibit the fingerprinting of accused persons, before their conviction, under the operation of the Identification of Criminals Act. I think both in respect of my hon. friend's bill and the Identification of Criminals Act, this Parliament might well look very seriously into the way the law can, on occasions, abuse innocent persons. I look forward some time to debating more extensively those problems in respect of narcotics, but I do not believe that subject is really germane

to this bill today. I would not want any of my remarks to be construed that I did not think the bill was important and something which should be given consideration in the very near future by this Parliament.

• (5:20 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, the hon. member for Parkdale (Mr. Haidasz) is to be commended for bringing forth Bill C-37. The purpose of this bill, as stated, is to prohibit the publication of the names of the persons so charged without special leave of the court; that is, charged with possession of narcotics including marijuana. The sponsor of the bill, by profession, is a doctor. I am sure he has had wide experience in respect of the non-medical use of drugs by persons and also wide experience in respect of alcoholism. I note from clause 1 of the bill that the reference is to any person who is charged with possession. Possession certainly is the most common charge with regard to drugs. There is also, however, the charge of selling and trafficking. Experience has shown that many people charged with selling drugs or trafficking in drugs are drug addicts. Therefore, possibly this legislation does not go far enough since it does not include people who have been charged with selling drugs and trafficking in drugs. As the hon. member has stated the publication of the name can cause a great injustice in respect of the person charged and possibly, as the hon. member for New Westminster (Mr. Hogarth) said, the witnesses who are attendant at the trial.

During the last session similar legislation was brought forward by a former member from Montreal, Mr. Klein. His bill was referred to the Standing Committee on Justice and Legal Affairs. At that time, some experts in this field gave evidence. Their evidence was excellent. I thought that possibly the government would act upon some of the recommendations made in the report of the committee in respect of that bill. Unfortunately, however, this government does not appear to want to act too quickly. We now have a situation in which many young people charged with possession of marijuana and other drugs are suffering the result of convictions when they seek employment, bonding or wish to travel. Back in the year 1966, it was said in the district of Columbia circuit court of appeals that alcoholism should be treated and not punished. That principle has been applied in some of the states of the United States. In Europe, a more enlightened view is taken in respect of the problem of alcoholism because it is said this is really the third largest public health problem that prevails in countries today.

In Europe, and in parts of the United States, intoxication centres have been established where a person who is intoxicated is taken either by the police or by a friend. He is sobered up there and then when he has sobered up he is permitted to go home. If he should be an alcoholic he may need further treatment, and if so would be referred to another centre where he would obtain proper treatment. In other words, he is not looked upon as a criminal but as a person with an illness which should be treated. If we were to use that analogy of alcoholism in respect of the drug problem, surely we should be setting up drug centres across Canada so that a person who is in the throes of illness as a result of taking a drug could be treated before any charge is laid. As I recall the legislation proposed by Mr. Klein, it was indicated that when a person is charged with possession of a drug he should be brought before the magistrate. The magistrate should then suspend the hearing and either persuade the accused to take treatment voluntarily or involuntarily if necessary.

There are different types of treatment for the drug problem. Indications are that many of these have been highly successful. Once a person has been treated, then he could be returned to the court in which he had been charged. If a person were charged with possession of marijuana and it were the first offence resulting in no ill effects, surely an enlightened Crown counsel would then ask the magistrate, based on the report he received from the drug centre or hospital at which the person had been treated, to drop the charge. This would be an enlightened approach. If the report from the drug centre indicated that the person needed further treatment, and that there had been prior convictions in his case, then the charge rather than being dropped could be delayed to be brought forward at a later date, say six months, a year or even 18 months later. In other words, the case could be adjourned *sine die* so that the person could be further treated and tested. This is what I would like to see done, because then we would be treating the drug addict in an enlightened way. We would be treating an illness rather than punishing a person for possession of drugs.

I think all of us have known persons charged with possession of a drug who have

been convicted of the offence. The problem in respect of the RCMP and other police forces with regard to a conviction is rather difficult because possession is not the easiest thing to prove. The RCMP have been quite assiduous in pursuing the problem. The drug addict is at times most ingenious in disposing of the drug. This has put the RCMP on the alert in respect of obtaining the evidence concerning the drug charge. The result has been a growing bad relationship between the drug user and the RCMP. One would hope the relationship between the police and the person who has committed the offence would be a proper relationship. Unfortunately, as a result of this particular offence and the difficulty of obtaining the evidence necessary for a conviction, there has been a bad relationship between the police and the offender. I might say that the treatment of many young people who have been charged today with possession of marijuana has left a great deal to be desired. The result is that their attitude toward the police and law enforcement officers generally has not been a healthy one. In fact, their abuse of the police at times has been unwarranted but nevertheless they justify it because of the attitude of the law officers.

• (5:30 p.m.)

We have before us legislation concerning the obtaining of a pardon in respect of a criminal conviction. Many hon. members of the House, particularly those who sit on the Justice and Legal Affairs Committee, have been disappointed with the government's bill concerning pardons for people convicted of a criminal offence. Many hon. members feel that bill should go the full way. Many are afraid of the word expungement and would prefer use of the word annulment. Be that as it may, I do not think we have gone far enough with regard to erasing the convictions of certain criminal offenders.

The Ouimet Commission recommended that any person charged with a summary offence should have the conviction erased after a period of two years, and that any person charged with an indictable offence should have the opportunity to apply for an annulment after a period of five years on proof of good behaviour and rehabilitation. The bill presented by the Solicitor General (Mr. McIlraith) does not go far enough.

Many high school and university students have been convicted of possession of drugs. What they did was dare to take a chance with regard to drugs, the same way as many of us in our young days dared to take a chance with regard to alcohol. Our problem was alcohol, not drugs. Convictions against these young persons weigh heavily upon them and their prospects for future employment, bonding and travel. It is not my intention to dwell on this subject, however, Mr. Speaker.

The hon. member for New Westminster raised a question concerning the necessity of publishing the name of any person charged with a criminal offence, and suggested widening the proposed legislation to prohibit publication of offenders' names until such time as their offences had been completely dealt with by the courts and judgment passed. I hope this bill will pass. I hope hon. members on the government side will not adopt their usual method of talking it out. I think it should be referred to the Standing Committee on Justice and Legal Affairs where we can go into it more deeply, where we can call expert witnesses to give evidence so that we may develop new legislation not only based on this bill but on the report of the LeDain Commission on Drugs, and thus be foremost in legislation dealing with this grave social problem.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, it is well known that ever since my election to the House, I have always taken a special interest in the problem of the rehabilitation of prisoners and all those people who have had a run in with the law, have been found guilty, are serving time or have been released, or who have found it difficult to readjust socially and take their normal place in this world.

The principle of the bill proposed by the hon. member for Parkdale (Mr. Haidasz) is highly commendable, and we should congratulate the hon. member for bringing home to us this extremely serious problem of divulging the names of drug addicts.

Following in the footsteps of the hon. member for Broadview (Mr. Gilbert), I must say that I would like to see the scope of this bill greatly widened. A few years ago, I had the opportunity of introducing a bill whose objectives were much more far-reaching. Among other things, I had proposed that not only the names of the accused but those of the witnesses not be published in a criminal case, because I feel that this does not give anything, does not facilitate rehabilitation and enables certain media to publish exciting articles. Besides, the family of the accused suffers needlessly. And when those people have paid their debt to society, they find it

that much more difficult to return to the outside world and contribute to the country's economy.

Now, I will speak of those who are condemned and of those who are acquitted. We know that they are branded forever, whether we want it or not. I just happened to read today in a magazine an article which said of someone that he or she had been indicted but later acquitted.

• (5:40 p.m.)

I will not disclose any name. Indeed, a great number of people are prosecuted, even if we are told that they are acquitted, something always remains. If the names of the accused and witnesses are not disclosed by the news media, those who are acquitted will not suffer as much. Evidently, it is easier afterwards to rehabilitate those who have been found guilty.

The bill now under consideration mainly deals with the problems of drug addicts. If the government would decide to take a first step in that field, conditions would improve. Indeed we are increasingly hearing about the problem of drugs, whether they are hallucinogens, marijuana or something else.

We deplore the fact that teenagers, once condemned, get a criminal record. I do not intend to deal with criminal records because I believe we will soon have an opportunity to do so when the bill which is now before the committee is reported to the House.

A few years ago, I introduced a bill to eliminate criminal records but I will surely have an opportunity to talk about it. Besides, the government will bring forward a bill to this end and there will even be a possibility of legalizing the sale of some drugs.

Actually, the names of those who are arrested or convicted of using or possessing drugs are made public by the various media. I think the government should immediately take steps so that at least the accused are spared the publication of their names.

According to the bill, the court would have the power to decide whether the names should be published. With all due respect for the opinion of my colleague from Parkdale, I feel the court should not have this right. I can see no reason for publishing the name of a defendant or a witness.

Anyone may be called upon to appear in a case. If someone has witnessed a murder, his name is published in a newspaper and broadcast by radio or television. Even for the innocent witness to a murder, something will always remain on record. The same rule should be applied not only for preliminary hearings, but also in the case of Royal Commission inquiries which may lead to criminal proceedings being brought. In such a case, the names of witnesses and of defendants should not be revealed.

Those, in short, are the remarks I wanted to make. I am in favour of the bill. It is only a first step but I hope that if it goes to the committee for study amendments for the purpose of not leaving to the court's discretion the special right of deciding whether the defendant's name will be published will be brought forward.

[*English*]

Mr. F. J. Bigg (Pembina): Mr. Speaker, Bill C-37 is touching on a very important question, the use of drugs, presumably by young people. The policeman is the young person's best friend, whether or not he is accepted as such, but he has a very unenviable task; he tries to protect young persons not only from themselves and their immaturity but from the worst type of criminal, the drug pusher.

Although I have the greatest sympathy for young people who fall into the drug habit, I do not know how they are to be protected unless we are pretty tough on the people making fortunes of the filthiest kind by pushing drugs to young people. I am in sympathy with the spirit of this bill which is trying to protect our young people from gaining a bad reputation and help them on the road back.

When a young person is out on a prank and is found in possession of one marijuana cigarette at a dance or some such place, perhaps the law is a little overeager in wanting a conviction at the present time. This is just the smallest link in the chain of conspiracy of the unhealthy and very serious drug racket. We have to be careful about who we are trying to protect, and the bill must be specific in this respect. When the bill says "any person", surely it does not mean a man already convicted of several offences of pushing drugs. Surely it does not mean a young person who has been given a suspended sentence, allowed to return to his normal routine and later found to be passing drugs in large quantities. Are we to believe that we are trying to protect such people? Perhaps I am being technical, but I think the bill should specify exactly who we are trying to protect and under what circumstances.

• (5:50 p.m.)

The person caught smoking his first marijuana cigarette should certainly be protected with regard to publication of his name. I doubt whether any magistrate, if it was within his power, would do anything except put a boy like that on suspended sentence or remand him in the custody of his parents with the understanding that if no more drugs were found nothing more would be heard of the matter. I hope that in cases like these the press will use discretion and keep the name of the boy out of print. Certainly, if the long arm of the law catches the pusher or the person helping him, I would not expect the press to extend the same discretion.

The bill does not mention age. I suggest there should be a great difference in the way boys of 16 and under are treated and the way boys between 16 and 18 are treated. Any person older than 19 years—after all, we say these days that boys of 18 ought to assume their civic responsibilities—should experience the full rigour of the law. The law should deal very severely with persons of 18 or 19 years of age who ought to know that pushing drugs on young people in this country and elsewhere is a very serious offence indeed.

I do not think we need look abroad and see what is happening in other countries, although it is interesting to note that in several countries the offence of drug pushing carries the death penalty. In those countries the sale and use of drugs has dropped off dramatically. This includes drugs such as marijuana. Whether marijuana is a dangerous drug, I do not know, although I notice the bill lumps all drugs together. I am thinking mainly of marijuana in my presentation. The evidence about this drug is conflicting. I am not at all sure, Mr. Speaker, the possession of more serious, hard narcotics is a matter that should be treated lightly. I think the bill should spell out whether possessors of marijuana should be treated differently from possessors of hard drugs.

The person possessing a drug may be the only link in a long chain leading back to the drug trafficker who is really dangerous to our society. I would go along with any method of protecting the reputation of young people who for the first time have innocently come into contact with drugs. Even if charged, their names and addresses ought to be withheld, at least until the time of the trial. I do not think such young people ought to have their names smeared unnecessarily. If a person is convicted, that is different. Boys falling within the age limits I referred to ought to be protected, even if they are convicted. On the other hand, when the pusher of drugs is apprehended, the more publicity given to his being engaged in this most notorious of trades, the better. On this point I cannot go along with the spirit of the bill.

I agree with the hon. member for Broadview (Mr. Gilbert) who suggests the bill is very important and ought to be referred to the Standing Committee on Health, Welfare and Social Affairs. Expert witnesses could be called. I should like to see witnesses from the Royal Canadian Mounted Police drug squad called. They are responsible for protecting our young people and could give guidance as to how we might protect them from using drugs on the campuses, on the beaches and elsewhere. If there were liaison between our young people and the RCMP and our young people realized that the RCMP wish to protect them, we might be more successful in tracking down drug traffickers who are the real criminal element in our society and who must be apprehended as soon as possible.

An hon. Member: Question.

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, I congratulate the hon. member for Parkdale (Mr. Haidasz) for presenting this thought-provoking bill which has brought on such an interesting debate today. It is fair to say that the issues involved in the bill involve rights related to the freedom to publish news. This bill seeks to protect the reputation of individual citizens. It refers to persons charged with possession of narcotics, which includes marijuana.

I think there is a fundamental difference between narcotics such as morphine and heroin, which are terribly damaging and very harmful socially, and marijuana, the possession of which is against the law but which is not in the same category as the harder drugs. I think a line ought to be drawn between misdemeanours and what might be termed less serious offences, and more serious offences and that the names of persons charged with less serious offences ought not to be published in newspapers or mentioned on radio and television. On the other hand, the press and other news media should enjoy their full freedom to report cases involving hard narcotics. That is why I say there is a great deal of merit in giving this matter more study and consideration.

Mr. Ricard: Question.

Mr. Gibson: Those of us who are lawyers have often found ourselves on the horns of a dilemma. Sometimes a man comes to us who has been charged with impaired driving.

Mr. Deputy Speaker: Order, please. The hour set aside for the consideration of private members' business having expired, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed consideration of Bill C-3, to amend the Criminal Code as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and motion No. 2 (Mr. Woolliams).

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, I have almost finished my remarks. I fear I have also just about completed the time allotted to me. I wonder if I might ask the indulgence of the House to continue for a very short time.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. MacGuigan: In conclusion, Mr. Speaker, I would like to say a few words with respect of arguments adduced by my colleague, the hon. member for York-Simcoe (Mr. Roberts), with respect to the amendment and to the bill. My colleague said that the thrust of liberalism over the centuries has been toward liberty. I agree of course that the thrust of liberalism has been toward liberty. But liberalism is not a one-sided philosophy; it is for equality and security as well as liberty. Indeed, it might be argued that the very purpose of liberty is to enable the achievement of equality and security in our society.

My colleague quoted the great liberal philosopher John Stuart Mill to the effect that legislation should be enacted only when there is a situation that transgresses specific and identifiable rights. I submit that is precisely the situation before us. We have specific and identifiable human rights which are being transgressed. These rights have not been previously recognized by law. That is the purpose of this change which is being made in the law. The offence of group defamation is one which has not been recognized by law until now. This is a new law which will recognize this human right. It is not a sacred cow, as my colleague suggested; it is a sacred right of the people of this country.

My colleague also suggested that the effect of this bill would be to drive hatred and hatemongers underground. If that were the case, I submit the purpose of this bill would be fully achieved. This bill is not aimed at thought; it is aimed at speech and conduct, especially speech which goes toward unlawful conduct. If we could succeed in driving hate and hatemongers underground, we would succeed in ridding the democratic dialogue of our country of this cancer.

This bill is aimed at establishing minimal standards for public debate. I stress the word "minimal". It is not a bill specifically aimed at protecting either the minority or majority group in our society. In practice it will undoubtedly normally protect the minority because the minority, as the weaker members of our society, comprises usually the groups which are attacked. Occasionally it may succeed in protecting the majority. This does not disturb me. If members of the minority behave in such a fashion that they depart from the minimum standards of debate which we believe are necessary in this country in order to protect the interest of groups—not the interest of the government but the interests of citizens in our society who can be attacked by reason of their group membership—or if members of either minority or majority fall afoul of this new legislation, so be it. The purpose of the legislation will be achieved if we achieve minimal standards of public debate which eliminate the dregs of discussion, discussion which would spew forth hatred at groups.

In my opinion this bill represents a great step forward in the law. It represents a new sophistication which deals with an old problem which we have newly realized, one of great social dimensions. I support the bill. I cannot support the amendment.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I welcome this opportunity to say a few words on Bill C-3. We have before us in this House a bill which is still more tangible evidence of the direction in which we are being led by the present orientated government. We have still more evidence that any legislation

presented by this government must steer across the board and encompass, not only the actions of all citizens but thoughts and statements that are a substance of a free society.

I cannot accept the view put forward by the government that Bill C-3 is a necessary piece of legislation. Like any other reasonable, compassionate individual, and as a representative of the people in our Parliament, I put myself on record as being in favour of any effort by any individual or group that would promote good will. I would heartily support any effort to remove from our society the causes of hatred and distrust. Mr. Speaker, I would even go so far as to endorse the spirit of this bill in so far as it makes it a crime to advocate the extinction of any group or segment of our society because of race, colour or for any reason. I do not believe that any group in this country is in danger of extinction by genocide, but I would be willing to erect any reasonable safeguards that would ensure that this could never happen here.

• (8:10 p.m.)

It is a paradox, Mr. Speaker, that the only real requirement for legislation such as Bill C-3 would be to protect the people and the very Parliament in which we sit against encroachments by the government that proposed Bill C-3. Our society is made up of individuals first of all. Any measures designed to protect groups within a society must take into account that the individual is paramount. Our fundamental and basic concern for the individual did not come about by chance or accident. It was bought at great price and sacrifice by all the generations that came before us. It was bought with the efforts and the pains and the ministrations of our founding families. It was bought with the blood of our patriots. And it has been tempered with the wisdom of past generations of great Canadian parliamentarians. In short, Mr. Speaker, the preservation of the sovereignty of the individual might be called our principal reason for being.

I would be the first to agree that society, any society, must have form and body and substance. I would be the first to agree that it would be impossible for any society to survive in an acceptable form if it did not recognize the requirement for order and for protection of the rights of citizens from conspirators and demagogues. However, Mr. Speaker, within the framework of an orderly and lawful society we must also have the greatest possible guarantees, within reasonable bounds, that the rights of the individual will remain the paramount consideration of government. I would add here that the principal task of the opposition in this Parliament is to guard against incursions on individual rights by our present government.

Bill C-3 in its present form is far too restrictive and its wording is open to too many interpretations. This makes the intent of the bill too restrictive and far too punitive. I want to come back to that point later, the part of the bill that lends itself to such a loose interpretation of peace officers and jurists.

I mentioned that the intent of this bill is too restrictive; there are insidious overtones in it which should not be taken lightly. When laws are too restrictive, when laws are too oppressive, it becomes impossible for the individual to fit comfortably into his environment. The best way to encourage contempt for the law is to make laws which show contempt for the individual. In such situations the laws are often disregarded and in time patterns of contempt for the law will develop. When laws are too rigidly imposed and too rigidly enforced, the individual will strive to break out of his oppressive environment and revolutions are born.

I would like to return to what I called the intent of this bill, or at least the intent which is implied in the government's wording of it. The intent of the wording would appear to be a desire on the part of the government to venture into the realm of moral legislation or, more explicitly, of legislating morality. This is a strange turnabout when one recalls the insistence of the Minister of Justice (Mr. Turner) just a year ago that the government was not interested in or concerned with the morals of the individual Canadian. I should like to quote from an editorial which appeared in today's *Globe and Mail*, as follows:

"The problem of trying to render synonymous law and morality is that we then come down to the question: Whose morality? Whose standards of behaviour? Whose sense of morality? Who is to determine the standard? Who is to attribute blame? Who is to say what is moral and immoral? Who is to decide when moral responsibility exists in terms of freedom of will, and when it has to be diluted in human terms because of environmental or physical causes?... In a pluralistic society there may be different standards, differing attitudes, and the law cannot reflect them all. Public order, in this situation of a pluralistic society, cannot substitute for private conduct. We believe that morality is a matter for private conscience. Criminal law should reflect the public order only."

Hate Propaganda

The speaker? Justice Minister John Turner. The time: a year ago almost to the day. The occasion: the debate on the government's amendments to the Criminal Code liberalizing the law relating to homosexuality and abortion.

I return for a moment to one of the potentially dangerous, if not the most dangerous, aspects of this bill. I am thinking of the aspect of interpretation. The interpretive scope of this bill is almost as broad and sweeping as this government's thirst for power, and when any law is so open to interpretation, when any law is so prone to tax the wisdom of lawyers and jurists alike, it follows that it must be a bad law. Again, Mr. Speaker, I say it is a strange paradox that a government which makes so much of its efforts to reform the laws of this country should take such pains to attempt to pass yet another bad law.

I am not a lawyer. Indeed, the vast majority of Canadians are not lawyers. But we must all deal with this law if it is passed, and it would be helpful, I might even say vital, to the interests of us all if the average Canadian could make some sense out of the wording of the bill as it now reads. Take the word "advocate" which is the very essence of the bill. The dictionary gives a very simple definition of "advocate" in the verb form. I quote from Webster's Collegiate Dictionary: "Advocate—to plead in favour of." The word "support" is added as the synonym. There may also be a legal definition which is the same for all lawyers and jurists; I do not know. But I do know that the word "advocate" is the very root of free expression as we enjoy it today and as we will enjoy it for some time to come if we can only restrain the impulses of the present government.

Advocacy is at the very root of the widespread dissent we tolerate so freely among the young people in our society. Could it be, Mr. Speaker, that the real intent of the bill is hidden behind the government's fears that some group or segment of our civilization needs protection from imminent genocide? Is some group in our society so in danger of being rendered extinct that we must now, today, bring in legislation which will endanger the very fabric of that society, the right to engage in free expression?

Again, I must say I am in favour of any measures which are necessary to protect any group in this country from unfair and unwarranted attacks from demagogues, either from within the country or from without. I am in favour of any measures which may be deemed necessary to curb the distribution and

[Mr. Ritchie.]

dissemination of hate literature, or to curb public outrage against ethnic groups. But, this bill goes far beyond anything required at the present time to augment the provisions already contained in the Criminal Code to enable our police and courts to deal with such matters.

I should like to quote again, for the record, from this excellent and searching editorial in the *Globe and Mail* of today. It goes on to say:

Hatred can't be banned absolutely. At least the bill recognizes that. There are so many willing, even eager, to be roused to hatred over innocuous statements that an absolute ban would be terribly unjust. But in trying to define what is socially useful hatred the government has entered a catacomb of confusion. It ignores that social attitudes cannot be ruled by law and that the strength of a democracy rests on the sanity and reasonableness of all informed public.

As a spokesman for the Canadian Civil Liberties Association said when the bill was before the committee: "Many useful utterances in a democratic society incite what could be described, at the very least, as bitter feelings." It is the citizens, not the law, who must cope with these feelings. If they fail, then our society fails. And only the law will be left standing righteous and indignant and alone.

The Minister of Justice defended some of the provisions which are to be found in the bill before us. He said, for instance, that no one could be convicted if he could prove that the statements he made were true. I suggest this would be an extremely difficult thing to do. Then again, it would be very hard for anyone to decide whether an individual was expressing hatred or merely distaste.

• (8:20 p.m.)

The minister told us that those who expressed opinions as part of their religious beliefs are to be protected. But what is a bona fide religion? Does religion include organized religions such as the United Church and the Catholic Church as we understand them, or does it mean religion in the broad sense? Would religion encompass atheism, agnosticism, sorcerism? Or going into the philosophies, does it mean pure communism, pure socialism or pure capitalism? Does it mean anarchism? I suggest that religion is difficult to define.

Who is going to decide what is the public benefit? Again the minister suggests that this would be grounds for a defence. But what is in the public benefit for one person may be entirely different from what is in the public benefit for another. I suggest that these so-called built-in safeguards will not have real effect because they are too vague, too open to

misinterpretation and there will be such wide interpretation of them by all who are affected. Therefore, I support the amendment moved by the hon. member for Calgary North (Mr. Woolliams) that this portion of the bill be deleted.

Mr. Max Saltsman (Waterloo): Mr. Speaker, it is my intention to support the amendment before the House if only because it emasculates the bill, which I think is the only way to treat the bill. Unlike some members who have spoken against the bill and see it as a dangerous, bad bill, I do not feel that strongly about the dangers that are inherent in it. I do not see the bill having any serious effect in regard to limiting freedom of speech in our society. My own feeling is that the courts will lean over backwards to make sure that justice is done and that the benefit of the doubt is given to those people who appear before them. Having said that, a person is not in a position to know how a judge will react or how the courts generally over the years will change.

From experience in society I would not think that freedom of speech would be seriously limited by the bill. My reasons for so saying are different from those of others who have spoken. My reasons are that the bill is really an impossible bill, that it is a foolish bill. It is all too easy to dismiss the problem of hatred by passing legislation. It is all too easy to pretend that we can cope with this serious situation in society simply by passing a piece of legislation after which everybody goes home and feels great, that they have done something about hatred, that they have struck a blow against hatred. This is an illusion, and one nobody should be under.

As a layman looking at the law, I see three general categories. One is the kind of law that everybody agrees must be passed because it is required for the safety of society. We must have laws to deal with murder, to regulate traffic, and so on, because society just cannot exist without them. Such laws meet with almost universal acceptance. This is really their strength; everybody in society agrees that these laws are necessary, and people give up part of their freedom in return for greater freedom as a result of the protection accorded them under these laws.

The second category of laws governs such things as fair employment and discrimination as it concerns housing. These laws are not 100 per cent effective and are frequently evaded. But they do serve a purpose. People in society state how they feel about these things, and to a large extent these laws are enforced, though not completely, because they are definite and specific and apply to particular situations.

We then come to the third kind of laws, laws that try to legislate morality. Experience in society shows that you cannot legislate morality. I see no evidence that we have ever been able to legislate morality. I suggest the law we are discussing here is this kind of law: it attempts to provide that people shall like each other, that people shall not say unkind or hateful things about other people.

Morality is a very difficult subject to deal with. First of all, morality changes from one time to another time. What is considered immoral at one stage may not be considered immoral later. There is also the question of definition. How do you define pornography—though I know we have attempted to? How would you define hatred, when you really get down to it?

My views are very subjective and I must admit are much influenced by my personal experience. My personal experience tells me a number of things. I am not unfamiliar with prejudice. I am not unfamiliar with how shattering hatred in society can be. During the war I had a chance to see the ultimate, fearful results of hatred. I was in Belsen very soon after the camp was taken by the allies, and the visible evidence was there to see. I wonder whether a hate literature bill would have prevented that sort of thing. I do not believe it would. I do not think that any hate literature legislation could have prevented the sort of thing that happened at that time.

On the other hand, I am also very fortunate, in observing how society has developed in my own time, to see how much progress we in Canada have made on the question of tolerance of one group by another. We live in a much changed society today. Our society is much different from the one I knew as a boy. Why is this so? After all, there were no hate literature bills during the last 20 or 30 years, yet these changes have taken place. They have taken place because of the lot of the people; their situation has improved tremendously. The causes of hatred have declined. The sort of things hatred feeds on have started to disappear; and this is really where hatred must be tackled. As a socialist, I feel that this is the only way we can abolish hatred. There cannot be freedom or security for any minority group unless there is freedom and security for everybody in society. But this cannot be rushed or hurried, and it seems to me that passing this sort of legislation is a grave error.

As I said earlier, I do not think this legislation is dangerous, but I do fear complacency. With this legislation on the books, people in society will pretend to themselves that they have done something about the problem when in fact this is not the case; they have simply diverted their eyes from the problem. That is the greatest danger posed by this kind of legislation: it will prevent our coming to grips with the real causes of hatred and dissatisfaction in our society, and this is the real issue.

I know that we live in a very squeamish kind of society. We do not like to see ugliness around us. We apply a cosmetic to ugliness and pretend that it is not there. We try to push it out of the way, and this approach is very dangerous. It is better to see the ugliness fully exposed, where we can deal with it, than shove it off in some corner or paint it over with make-up, powder or rouge so that it looks prettier than it really is.

• (8:30 p.m.)

We do a disservice to our society if we pretend that hatred and discrimination do not exist. My plea is for realism and for acknowledgement that these difficulties are still with us and have to be dealt with. I do not want to see anything done that will obscure the real diseases of our society. I am not interested in making people feeling more confortable. I want them to feel uncomfortable; I want them to be confronted by and to see this ugliness, rather than have it hidden. I am very worried that we will not get rid of hate literature simply by passing this legislation. What we will do is make it more subtle and perhaps more pallatable. Maybe we will stop it here and there and people will not be so terribly offended. But nothing really will be solved by doing this.

I think there is an increasing danger that the indefinable thing that we may call tradition or good will, which does not depend on the law but is part of our society—sympathy, if you will—will be lost to those suffering from hatred and will tend to support those disseminating hatred under the false notion that they are defending freedom of speech and the right of even the most vile minorities to be heard. There is this danger.

I want to speak from personal experience. I have been through numerous political campaigns. I do not think I have ever been in a political campaign where hate literature in one form or another was not used against me. Always my party worker would come to me with a piece of literature or a story that was being spread around and say, "We have to bash this on the head and wade right into it. We have to stop it." I have always said, "No, because you cannot stop it." They have asked, "What is going to happen?" and I have always replied, "If people want to believe this sort of nonsense, this kind of junk, this scurrilous stuff being spread around, nothing you or I can do will make any difference. We have only one hope, that the people will see it for what it is. If they do not see it for what it is, we are lost anyway and what do you accomplish?" Either there is an element of decency, fair-mindedness and intelligence in society, or the ball game is lost anyway. You have to count on that. This approach has always worked and the element of decency and intelligence has been there.

In the last campaign, in 1968, all of us were aware of the kind of hate literature that was being circulated against the Prime Minister (Mr. Trudeau). It was dreadful stuff. On the whole I think it helped to get him elected. I know that during the course of the campaign my party workers came to me with this literature and asked whether I was going to let these things be said, even though they were being said about an opponent. They would ask if I was going to take advantage of the situation. I repeatedly, during my campaign, had to divert from my own rather urgent need to consolidate my position and take a stand against hate literature because it offended the decency and intelligence of my people. We wanted to beat the opponent, but we did not want to beat him that way. The Prime Minister probably gained a measure of sympathy that he would not have gained had this literature not been spread around.

What do we gain by banning the worst forms of ugliness contained in such literature? We feel a little more comfortable—but is it worth it? Isn't it better to have it where you can see it and deal with it, where you can appeal to the intelligence of people? You can ask whether they are going to listen to this kind of stuff. You can ask whether it is not offensive to them. I would rather do it that way, and I think in the long run that is the way to do it.

I appreciate the feelings of people who have been discriminated against, particularly those who were subjected to the extreme form of discrimination found in concentration camps. You cannot expect them to be politically objective, perhaps the way I am trying to be at this moment, about hate literature. When they see something like this they are

reminded that it is not just an occurrence during an election campaign; it is an indication that their lives may be in danger. It is understandable that they would press the government and society to afford them some protection which would relieve them of the haunting fear of this recurring menace.

The question that must be asked is. Do we have to succumb to that plea, as legitimate as their fears may be? In some ways those who are looking for protection from hate literature may find that their insecurity is heightened as a result of the passage of this bill. Every nut, every crackpot and every lunatic will now have the opportunity of testing this legislation in court. They will seek prosecution so they can have their day in court. The type of person who is disposed of by the newspapers and the other news media have been discounted for what they are. They will now have the sympathy of the editorial pages. I would add that the editorial pages are unwisely and unnecessarily sympathetic, but that is the way of editorial pages. Every one of these people will now be able to be part of a *cause célèbre*. If a court should sentence them to jail, they will come out martyrs. This will give them a status they do not deserve. It will give them a position to which they are not entitled. There is some danger in this approach and we have to be very concerned about it.

I made these brief remarks because I felt someone like myself should make them. I conclude by saying that in the final analysis the safety of minorities depends upon the good sense and the security of our whole society. You cannot protect minorities unless you change society and protect all of society.

Mr. H. E. Stafford (Elgin): Mr. Speaker, I shall speak but briefly on Bill C-3, if only to put on record that basically I consider it an unnecessary piece of legislation. I know of no minority group that is prejudiced by our social system as it exists today. I know of no threat to any minority group in our nation. If such existed I could readily understand the need for the passage of such legislation.

In a free society such as ours we can do anything that the law does not make illegal. Even the minister has not demonstrated the need for such legislation. He did say that the legislation would show the world our good intentions. I find it very unusual that we have to amend the Criminal Code to show the world that we have such intentions. It is idle to suggest that this legislation will prevent the commission of such crimes in the future. The existence of the legislation may do more harm than good in drawing attention to the possible existence of such crimes in our free society.

• (8:40 p.m.)

The great test of this legislation will come, say, in ten years from now. If one looks back over such a period and finds no convictions, so much the better. But it will more than anything else show the lack of need of such legislation at this time. It is also difficult to understand the Attorney General being appointed the watchdog of this legislation any more than in respect of the other sections of the Criminal Code. Even though I see no need for such legislation at this time, the principle behind it is to be commended. I trust the need to use it never arises. At this time when more important problems face the country I would think that the last two days could have been better spent.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I welcome this opportunity to become involved in what I believe to be a very significant piece of legislation. In the first instance I wish to say I reject the amendment put forward by my own colleague. In keeping with my conscience, it would nullify the principle of the bill. The bill strikes at that which is of extreme importance, that is, the incitement or promotion of hatred. Therefore, Mr. Speaker, I accept the bill in its entirety. I do not find it offensive, untimely or particularly dangerous.

I am not here to become involved in the niceties of the legal matters in respect of this bill, because I believe sincerely that all legislation no matter whether it stems from this House or from any other place is subject to comment regarding its workability. For some time I was a member of the Committee on Justice and Legal Affairs. The members of the committee were sincerely concerned with the bill in the first place, as I was and still am, and attempted to make to that bill the amendments they believed were necessary in order to make it workable.

If this bill should pass, of course it will be for the courts to give their judicial interpretation of a matter to which we have given deep and sensible deliberation. I am very concerned about the bill, but at the same time I appreciate the varied views of my colleagues. It seems to me there has been one theme running through the entire debate. Everyone seems to be for the principle of the bill—but! This "but" which continually came before me

really had me concerned, because I cannot see how one can be so emphatic about being for the principle of the bill and then say "but".

I do not know whether the bill is perfect. Perhaps it is not perfect. Maybe it is contrary to the thinking of some of us. It may, on the other hand, be shocking. We as Canadians and parliamentarians must discuss this type of legislation. Perhaps this legislation would not have been necessary had we followed, as I indicated in my maiden speech, the advice of one Adele Florence Corey. I should like to quote from *Hansard* of September 20, 1968—but remember that when I first spoke in this House I was more nervous than I am now. As recorded at page 291 of *Hansard* for September 20, 1968, I mentioned what this woman had said a long time ago. I said:

> She said that men should be judged not by the colour of their skin nor by the way they fight, love or sin, nor by the gods they serve or vintage they drink, but by the quality of the thoughts they think.

Some hon. Members: Hear, hear!

Mr. Alexander: If mankind were prepared to accept that very simple principle, we would not have my friend stating earlier that in his wisdom he thinks we are wasting time because we would not have to be discussing this bill. But, Mr. Speaker, some people will not accept the principle I have just enunciated. It is not within their thinking. It is not within their moral fibre to accept that principle. I do not know whether there are many faults in this bill, but with all its alleged faults and with all the shortcomings that were expressed this evening and yesterday I sincerely state that it is a step in the right direction. It offers hope to the many people who have long suffered, the many people who have long been humiliated, and the many people who have long been ignored.

This bill offers hope in that it is an indication that someone is aware of the problem that actually exists, that someone is aware that inciting hatred toward identifiable groups is unacceptable. I ask this simple question: Is it good just to have this type of reasoning? We are concerned about a particular condition and we say it is unacceptable. Is this in keeping with our democratic principles? I suggest that what we are now doing, and have been doing for the past two days is good and is in keeping with the principles of democracy. Hate as expressed by some Canadians in our midst concerns me, and it concerned the Cohen committee. I should like to read from pages 25 and 24 of the report of the special committee:

> In the committee's view the "hate" situation in Canada, although not alarming, clearly is serious enough to require action. It is far better for Canadians to come to grips with this problem now, before it attains unmanageable proportions, rather than deal with it at some future date in an atmosphere of urgency, of fear and perhaps even of crisis. The Canadian community has a duty, not merely the right, to protect itself from the corrosive effects of propaganda that tends to undermine the confidence that various groups in a multicultural society must have in each other. The committee therefore concludes that action by government is necessary—

Let me revert to page 24:

> The number of organizations involved and the numbers of persons hurt is no test of the issue: the arithmetic of a free society will not be satisfied with oversimplified statistics demonstrating that few are casting stones and not many are receiving hurts. What matters is that incipient malevolence and violence, all of which are inherent in "hate" activity, deserves national attention.

Not local, but national attention.

> However small the actors may be in number, the individuals and groups promoting hate in Canada constitute "a clear and present danger" to the functioning of a democratic society. For in times of social stress such "hate" could mushroom into a real and monstrous threat to our way of life.

Therefore, the committee was concerned—a committee set up by Parliament. Hence this bill. Our fathers and our grandfathers, responsible as they were in their day, were also irresponsible. They were irresponsible for projecting and being preoccupied with notions of their fellowman, all based on myths—the Jew, the black man, people of colour and those whose names ended in "i" or "o". That was their way of life, Mr. Speaker. That was how things were done then. But it is changed now. Those types of attitudes are no longer acceptable. I believe that the thinking Canadian has been awakened by the truths slashing away at the myths, truths about hate, and he has gathered this information from the media in all forms. Because, Mr. Speaker, it is my considered opinion that hate disrupts our social, economic and political orders and structures and, most important, it can be extremely expensive. That, I know, has been brought home to us on many occasions in the past few years.

• (8:50 p.m.)

I believe the vast majority of Canadians will accept the principle of this bill, as many members here do, except when they say "but". The Canadian people will accept the principle of this bill notwithstanding the

editorials and the lobbies. There is in Canada now a concerned generation that is aware of attitudes that can lead to no good as far as the ultimate destiny of Canada is concerned.

Let me refer again to the Cohen committee report, page 67:

> The history of law and opinion as concurrent developments is replete with instances, as A. V. Dicey long ago indicated, not only where law reflected the state of opinion but where a fluid opinion was itself crystallized by law. This generation of Canadians is more sensitive to the dangers of prejudice and vicious utterances than ever before. Such public opinion, therefore, should now be prepared to crystallize these sensitivities, fears and doubts into positive statements of self-protecting policy—namely statements of law.

Statements of law, Mr. Speaker! This bill is not the first of its type. In Ontario we have the Ontario Human Rights Code, a codification of all acts on discrimination dating back to 1944, passed in code form in 1962 and administered by the Ontario Human Rights Commission. Let me read the preamble of the Ontario Human Rights Code, which I think all Canadians are interested in and in which they should be interested:

> Whereas recognition of the inherent dignity and the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world and is in accord with the Universal Declaration of Human Rights as proclaimed by the United Nations;
>
> And whereas it is public policy in Ontario that every person is free and equal in dignity and rights without regard to race, creed, colour, nationality, ancestry or place of origin—

Such a preamble is equally applicable to the nation, Mr. Speaker. We have other such acts in our great land. This is not the first time an act has come before parliamentarians that had to do with conduct and attitudes. We have federal legislation such as the Canada Fair Employment Practices Act. Listen to a list of the provinces that are involved with all sorts and types of human rights legislation: Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan.

In the past two days we have been discussing guidelines for human behaviour as it affects man. This bill points out that which is unacceptable to the Canadian way of life. It is not a code for love. That is the red herring that is always thrown into this type of argument, that you cannot legislate love. No one wants anyone else to love them when it comes to this type of legislation. It is a code directed towards conduct, towards overt action. I respectfully state that the greatest force that should exist today is man's relentless pursuit of the attainment of better human relations between all peoples.

Some hon. Members: Hear, hear!

Mr. Alexander: But how do you do it, Mr. Speaker? It has been said that you start in the home. Well, how long have we heard this? Mom is supposed to teach junior to respect his fellow friend. Then when you cannot get it through the home, they tell you to go to the church. I do not want to get into the area of the church, but they say, "Go to church. The church will help you." When that fails they say we are supposed to have group discussions. When that fails then they say, "Leave it to education." I have heard all these things running through the debate all afternoon. Then, Mr. Speaker, last but not least we come to legislation. When all else fails with the good intentions of mankind and with the background man professes to have in Christian love and brotherly love, and that cannot arrive at the necessary solutions, I respectfully state it is my public duty as a parliamentarian to start thinking about legislation.

Some hon. Members: Hear, hear!

Mr. Alexander: That is why, Mr. Speaker, I do not know who is for this bill on the outside, but I am not particularly worried. I am not thinking of it as a politician, as a Progressive Conservative, or as a Liberal in the way that we have heard some hon. members talk. I am thinking about this problem as a man whose conscience is being affected, as a man who has some awareness of what it means to be a member of a minority group.

You cannot legislate love, nor can you legislate against prejudice. But, Mr. Speaker, surely you can legislate against the overt act of discrimination. I do not know whether this bill will work, but I hope it will. It can work in this area, in that it is a form of education. But it is a form of education the hard way. We could not get it the easy way, so we had to do it the hard way.

In the committee I listened to a discussion on the possibility of this bill backfiring on those it is attempting to protect. I got into the debate, into the questioning on that matter, because if this was a fact I did not want any part of the bill. I know the interaction, that is becoming more and more a part of our way of life, by those who are attempting to show society the wrongs that they have been affected by over the years. But I was advised, Mr. Speaker, that the minority striving for recog-

nition, proclaiming their desire to become a real force in the mainstream of Canadian life rather than accepting misery in their insignificant tributaries, would be protected by the defences that were eventually written into the bill. But I believe, too, that the defences are also open to those who proclaim that freedom of speech is being affected. Mr. Speaker, all I can say is that I believe—this is just my considered opinion—the defences therein equally can protect freedom of speech. All I know is that when you start talking about freedom of speech and freedom of the press, sooner or later the dignity of man, the value of man, transcends freedom of speech and these matters must be protected by society.

• (9:00 p.m.)

I do not know what the experience of my colleagues who speak about Bill C-3 has been, but I reflect on the name-calling, the frustrations, the rejections, the spite and the hate that have occurred in my life. I have been fortunate, but let me tell you that there are a lot of people not so fortunate. I do not want to point to any particular province but it does not take much imagination to think of the east. I know a little about the black man's position because I am black and proud of it. He has been abused; he has been confused.

Mr. Speaker, what does a mother say to her child who comes running home crying because his skin is black, or cries when he goes to bed at night because he is a member of a minority group? Does she tell him that freedom of speech is paramount? What does a father say to his family when, as a result of hatred and contempt, he cannot bring home bread in order to sustain life? I could go on and on, Mr. Speaker, with illustrations that would frighten a lot of people in terms of what hatred can mean, and how frustration can lead the people affected by it to believe that they are inferior and have no rights within society because those who are bigoted use hate propaganda to the extent that a man becomes possessed and believes it to be true.

What we are doing here is creating an atmosphere not out of crisis but out of a new awareness of what hatred could do to Canada. I should like to read from the Ontario Human Rights Code something which illustrates what I mean by creating an atmosphere. This was printed in 1967, and God knows it is applicable in 1970! On the back of the book is this statement:

> The aim of Ontario's Human Rights Code is to create at the community level a climate of understanding and mutual respect, in which all our people of whatever racial, religious or cultural background—new Canadian no less than native born—will be made to feel that all are equal in dignity and rights, that each is a part of the whole Canadian community, and that each has a rich contribution to make to the development and well being of our province and nation. Few will disagree that this is a prerequisite for the building of a truly healthy Canadianism.

Mr. Speaker, in conclusion I say that in my humble opinion Bill C-3 is a prerequisite of this mood, leading to a truly healthy Canadianism.

Some hon. Members: Hear, hear!

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, in view of the speeches made today I think it a great pity that the rather disturbed young man who was in the gallery yesterday did not have the opportunity of hearing them. There have been many fine speeches on both sides of the House which have completely crossed party lines. Had he heard them, he might have had a different view of the purpose of this institution.

Some hon. Members: Hear, hear!

Mr. Nesbitt: I might add that I hope the press gives the same prominence to some of the speeches made today as it did to the unfortunate and ill-informed remarks of that young man yesterday.

I think it is quite clear that there is not any member of this House in any party who does not agree with the principles and objectives of this bill. The only disagreement is on the means of attaining these ends. The objections seem to lie largely in one of the many sections of the bill, namely section 267A subsections 1, 2 and 3.

In this respect I think the bill is badly drafted because it not only attains the objectives that we all have in mind, but a few that were not intended, as has been ably pointed out by the hon. member for Calgary North (Mr. Woolliams) and other members on both sides of the House. This is what really concerns the members and it is the reason for the debate continuing as long as it has. Some of us are very much afraid that not only will the commendable and excellent objectives pointed out by the hon. member for Hamilton West (Mr. Alexander) be attained, but others less desirable will also be attained. We are always accused of wasting the time of the House by repeating arguments. I do not want to be guilty of that, although I feel that section 267A may create situations never contemplated when the bill was drafted.

I have another reason for wanting to speak on this bill. Other members have not hesitated to blow their own horns in this debate, so I should not hesitate to say that several years ago I was one of the first members to bring this matter before the House of Commons in a private bill. Other members, some of whom are still here, also brought it before the House. Apparently the government of the day did take some notice of members with private bills, the Cohen commission was established and today we have this bill before us.

I should like to deal in some detail with the bill which I introduced at that time. It might be helpful if the Minister of Justice (Mr. Turner) would take some notice of it. He never seems to take much notice of suggestions, but perhaps he would this time. The second time I put my private bill on the Order Paper it was Bill C-164 of the first session of the twenty seventh Parliament and appeared on April 4, 1966. I had consulted the legal adviser of this House, a gentleman with wide legal knowledge, Dr. Ollivier. I had suggested putting in a bill all by itself, but he advised me to present it as an amendment to the Criminal Code. The bill that I presented at that time had two clauses. They are very brief and I should like to put them on the record because I think they may be very helpful in this debate. The first clause reads as follows:

• (9:10 p.m.)

Subsection (1) of section 248 of the Criminal Code is repealed and the following substituted therefor:

'248.(1) A defamatory libel is matter published, without lawful justification or excuse, that is likely to injure the reputation of any person by exposing him to hatred, contempt or ridicule, or that is designed to insult the person of or concerning whom it is published or that is likely to injure the reputation of any group of persons by exposing them as a group to hatred, contempt or ridicule by reason of their racial or national origin, colour, or religion, or that is designed to insult any group of persons by reason of their racial or national origin, colour, or religion.'

The explanatory note to the bill at that time was as follows:

This bill proposes to enlarge the Criminal Code definition of a defamatory libel, to include 'hate literature'. Because such literature is, in many cases, the expression of a sick mind, the bill further proposes that any person charged or convicted of publishing such a libel shall be placed under mental observation to determine whether he is mentally ill.

Before I read the second clause of the bill I should like particularly to note the remarks made this evening by the hon. member for Waterloo (Mr. Saltsman) who, along with other hon. members, took very much the same view I have taken, that those who promote hate literature and defamatory group libel are sick people and ought properly to be treated as such. At the time I introduced the bill originally, a series of rather indecorous events had taken place in the city of Toronto. A young man—I will not dignify his name by repeating it in this House—was creating racial disturbances. His attacks were aimed against the Hebrew people particularly in the city of Toronto. Because the authorities were using various methods in an attempt to prevent this, the lad became something of a martyr with some of the low-minded, the sick-minded and the ignorant. He became the object of praise and a leader, just as was Adolph Hitler at one time in Nazi Germany, as some can well remember. I think the hon. member for Waterloo put it very well: we do not want to make martyrs of these kinds of people.

Some years ago I had the opportunity, as had the hon. member for New Westminster (Mr. Hogarth), of being a Crown attorney. I well remember an incorrigible young man who kept appearing in the police court in my area. He was a repeater, and was charged with every kind of petty, and sometimes more serious offence. No one knew how to deal with him. He was sent to reformatory and came back a hero. His time inside his friends thought of as you think of chevrons on a sleeve. Every time he went to prison he attained a sort of good conduct stripe as far as his buddies were concerned.

After a little thought it was decided he would not be such a popular hero if he were treated as if he were ill and sent to the Ontario Hospital for observation. The strange thing is this: it seems that when people come out of that institution, to which they are sent when their behaviour is such that they may be retained as a guest for some time, they come out not as heroes but as objects of ridicule. That is exactly what happened in this case. My experience in this matter rather prompted the drafting of the second clause in the bill I presented at that time. It reads as follows:

The said act is amended by adding thereto, immediately after section 251 thereof, the following:

'251A. Where a defendant is alleged to have published a libel defamatory of a group of persons within the meaning of subsection (1) of section 248, the court, judge, justice or magistrate may at any stage of the proceedings remand the defendant, by order in writing, to such custody as the court, judge, justice or magistrate directs for ob-

servation for a period not exceeding thirty days to determine whether the defendant is mentally ill; and where the defendant is not so remanded and is found guilty, the court, judge, justice or magistrate shall so remand the defendant before sentence.

I think that if a provision such as this had been included in the present hate literature bill there would be no danger of making heroes out of hate peddlers. There would be no danger of giving these people a lot of publicity if they were sent for a mental examination, which is what they ought to have. They would not come out of hospital and be heroes for the drug store-corner gang any longer; they would be objects of ridicule and contempt. To make the punishment fit the crime, I can think of nothing better for them. Believe me, Mr. Speaker, in my rather brief experience I have found this sort of thing works.

I know other hon. members wish to speak, and I do not wish to take up more time than is necessary. I think new section 267A, subsections 1, 2 and 3, may very well defeat the purpose of the bill. I think those subsections will accomplish a number of purposes we have in mind but, as I have already said, they may accomplish other much less desirable purposes.

This debate has crossed party lines. It is not becoming a party issue in this House. The cabinet may not think so, but the backbenchers on all sides of the House do. I think the Minister of Justice and his advisers might very well withdraw the bill temporarily, look at its drafting, pay attention to some of the suggestions which have been made in this House, and perhaps consider redrafting this clause so as to accomplish the purposes of the bill without leaving the loopholes which have been pointed out, which might endanger free speech and all the other things we have heard about. I hope the government does this.

One cannot impute motives to the bill, and very properly so, because no one really knows what is going on inside somebody else's brain. If the government refuses to pay attention to the suggestions made here, one can only assume that the reason for introducing the bill is that suggested by one hon. member, that it is presented largely for political purposes. It was given a great deal of window-dressing, trumpeting and fanfare, but it is clear that the same objectives could have been achieved by a simple amendment to the Criminal Code. The Minister of Justice is always telling us he wants to make further amendments to that document. If he had done just that in a simple way, without all these trappings, I think everyone would have appreciated it very much more and the amendment could have accomplished these ends.

I have found one thing a little unconvincing in the remarks of the Minister of Justice and one or two other hon. members of the House. When the Criminal Code amendments were before the House and we were considering controversial matters such as abortion, homosexuality and other things, there were many high-flown speeches saying that you cannot legislate morals and that morality does not come under the criminal law. That was how some talked out of one side of their mouths at that time.

Yesterday and today we heard similar arguments about the purposes of this legislation, but exactly the reverse arguments were used, namely, that morality does come under the criminal law, that this bill may point the way to how people should behave, that it may give guidelines to human conduct and all the rest of it. I find this peculiar double-standard of reasoning very hard to take. I am one member of this House who does not think morality can be legislated. I have never thought so from the first day I entered law school and had the benefit of the opinions of some eminent people in that regard, including the former Chief Justice who has just retired.

• (9:20 p.m.)

I find it difficult to understand why people with considerable experience in the legal profession argue that morality can be legislated on one occasion and not on another. It is for this reason I find some of the arguments put forward in favour of the bill a little difficult to comprehend.

In conclusion, Mr. Speaker, I would like to say I am in favour of the principle of the bill. I think every hon. member in this House is in favour of it. However, I think the two sections to which I have referred should be redrafted. While I agree they may well accomplish the purposes of this bill, I fear they may also accomplish other objectionable purposes and open the door to those with evil intent who would twist the law for their own evil purposes, as we have often seen done in this country and in many other places. As I have said, I hope the Minister of Justice will pay attention to the many fine arguments put forward from both sides of the House.

Mr. F. J. Bigg (Pembina): Mr. Speaker, hate propaganda is an extremely important

subject. I am one who believes that you cannot fight hatred with hatred. That may sound strange coming from a man who spent most of life enforcing laws, some of them fierce but most of them humane. Although I am not particularly proud of a part of my life, I would do it again. I refer to the seven years I spent fighting the nazi regime in Germany. If we are to believe all that we hear, the nazi regime in Germany committed one of the most savage acts of race annihilation in modern times. I suppose if by legislation we were able to prevent that type of thing, we would be unanimous in supporting such legislation.

I do not think that any legislation can put down hatred—on the contrary. I do not think harsh laws reduce hatred. It is strange that in this Parliament when we are liberalizing the law pretty well across the board, we are rushing into a permissive society. In some circles it is no longer thought evil to peddle drugs to our young people. It is certainly not considered evil to partake of them. It is strange that we should suddenly find it necessary to put something into the Criminal Code which has been tolerated for a thousand years. In fact, it has been more than tolerated: it was fought for with all the vigour which it was possible to produce by the fearless island people and their descendants, particularly with respect to our law and parliamentary institution.

I think it is very dangerous to restrict freedom of speech, no matter how violent speech is, because there is a tremendous difference between violence spoken and violence acted. Sometimes I think violence spoken is a safety valve. Until recently in England freedom reached unprecedented heights at Hyde Park. I have stood in Hyde Park on a Sunday afternoon and listened to the speakers. Perhaps they were disturbed, perhaps not. Some very notable people spoke in Hyde Park, including Bernard Shaw. I heard someone say that the Queen should be eliminated from British politics. It was strange to hear this 25 years ago in Hyde Park. The English bobby walked up and down with his club. Although the fellow who was speaking was heckled, he was quite free to speak his mind. After a while he folded up the little stool on which he was standing, put it in his Cadillac or Rolls Royce and drove off.

Is there any place in the world where freedom is practised more than it is in Canada? I think not. One of the reasons is that we have an inherent desire for freedom and fair play. Whether we admit it or not, it is largely inherited and taught to us by those same island people, some of whom were my ancestors. My mother was born in Indian territory. She had only Indian children to play with. My grandparents and parents, aunts and uncles learned to know these first citizens of Canada well. They learned to love them and they passed that love on to me. In my family circle race tolerance is not discussed, it is practised. As far as I know, I am welcome in every Indian home in Canada and every Indian and Eskimo in Canada is welcome in my home. This is the only basis for a greater understanding of these people and their understanding of us.

My former leader, the right hon. member for Prince Albert (Mr. Diefenbaker) did not try in the Bill of Rights to codify in detail the rights of people to speak. He took it for granted that we have the right to speak. I agree. Those who speak with prejudice and hatred in their hearts are more to be pitied than a homosexual, because a homosexual does not have any control. Ignorance can be controlled. We can learn to know the people who live in our country. If we learn to know them, we will learn to love them. No statute, no matter how fierce or wise, can substitute for human understanding and human love.

• (9:30 p.m.)

I mentioned that I was a soldier. I know that in my human frailty I can be whipped up into a frenzy of patriotism, and I suppose I would fight again in defence of my home and my country. But I realize that most war is absolutely futile because it is based on hatred. As Nurse Cavell said when she was being led away to be shot for helping to free Canadian soldiers and send them back to the rich life here, "Patriotism is not enough". It was not until I reached the wrong side of 50 that I fully realized what she meant. Indeed, patriotism is not enough.

Being a soldier under arms is not enough. Being an officer of the law is not enough, whether you pound a beat or whether you sit on the Supreme Court of Canada, unless you carry into your private life, into your politics and into your relationships from Halifax to Vancouver a real sense of brotherhood based on love and understanding which can only come from meeting with people, working with them, serving with them and trying to know them better.

Sometimes the greatest heroes are not those who walk into machine-gun fire. Equal courage is shown by people of ethnic origin, many

of whom I have had the pleasure of living with in Canada, who have endured insults from early childhood to manhood, enduring it in their home lives as well as in their public lives but showing by their tolerance that they are a good deal bigger than those who throw ignorant epithets at them. Many of these people—some of them have sat in this House—feel there is no need to codify something which warms their hearts every time they look at a flagpole and see our flag, whether it is the new one or the one they first learned to love and trust, the one that flew over our ports and over the ships which brought them here.

If I thought for one moment that passing a statute would reduce hatred in the slightest degree, I would vote for it. If I thought that any amendment to this proposed statute would reduce ill feeling among Canadians, I would vote for it. This is a question which crosses party lines: it does in my case. I am under no pressure whatever from my party to do anything but vote according to my conscience, as I intend to do, and I hope this is the feeling throughout the House. I just cannot give my support to what is second best—to trying to accomplish by laws, whether fierce or innocuous, when the alternative is to lead in a positive way along the path to friendship and better understanding.

As is often the case, we do not have a clearcut decision to make. We are sometimes offered a package deal and we are told it is not political sense to vote one way or another. I do not believe most members are attacking this problem in that manner. I do not believe this statute would ever be invoked by a government or by the law enforcement officers if they put their priorities into proper perspective. If there are people walking about who feel genocide is acceptable in the slightest degree, I claim they are sick; they need attention. This may not mean locking them up in institutions or putting the tag of mental instability upon them. It is a tag of ignorance. They, perhaps more than the victims of their evil propaganda, require our sympathy.

As far as I can see, nothing is to be gained by turning from hatred on the one side or spending time and trouble in arming ourselves to fight with imprisonment, fines and more hatred the very thing we should be attempting to attack with a great more understanding and wisdom than perhaps we now possess. So often it appears easier for us to grasp a weapon, whether it is the reeking tube or the iron shard, to settle our differences than to try once more by friendship and understanding to get through to the people we despise the most.

[Mr. Bigg.]

I find it hard not to hate people who preach race hatred, but as soon as I fall into that trap I am in a bottomless bog with them, and when one fights them on that ground there is no way of doing it except by getting down in the bog and wallowing there. Throughout recorded history men have resorted to violence. And how far have they got? With all our modern technologies, with all our provision for free education, with all our permissiveness to young people, allowing them to expand their personalities and to alleviate their pain with various drugs, with all our concern for family planning and better nutrition, with all the wonderful advances we have made in transportation, how much closer are we to the brotherhood of man?

• (9:40 p.m.)

These are matters we should think about. Instead of new or antiquated laws to bolster up what is perhaps an out-of-date Criminal Code, one we seem to think is inadequate in most of its aspects, we attempt in this session of Parliament—one that is becoming very liberal in many ways—by imposing penalties on people who are ignorant, undeveloped, who do not appear to have the ability to grow up mentally, politically, and certainly spiritually, to find the answer to this age old problem of brotherhood. I do not think this approach will work. I think I have the right to speak because I am nearing the age of 60, and if I have learned anything in my 60 years it is that violence begets violence, that hatred begets hatred, that misunderstanding begets misunderstanding.

In all the years I tried to enforce the Criminal Code of Canada and to make the world free for democracy, I saw more good accomplished by a few kind acts, by putting out the hand of friendship, by using a little human understanding, than all that the brass buttons, red coats and the arsenals of democracy in the western world could produce by force or law.

Although I do not think our present approach will work, I think the other approach will. In this regard I appeal to the press. This is one area in which the press can well take a hand and help us. If a man is so bigoted as to advocate racial discrimination, superiority of colour and skill, superiority of ethnic origin, he should be ridiculed. There is nothing particularly cruel about that sort of ridicule.

I feel sorry for such a person if he is mentally undeveloped. I feel sorry for him if he has come from a home where there was no love. I feel sorry for him if his free education in a modern school has left him high and dry so that he is an unfeeling wretch. This person enters a free society—as free as we can make it—where there is opportunity for people of all ethnic origins, certainly as far as I know. I beg the media to ridicule such a person, and if he is mentally sick I hope we can send him to the appropriate doctor.

It would be wasting the time of the courts to bring persons of mature years before the bench in order to tell them their basic responsibilities as Canadian citizens; to tell them they do not appreciate what freedom really is, that they do not understand what it is to be able to travel in a country such as ours where people do not have to lock their doors at night. This is a country where, by and large, both the person and his property are sacred.

I appeal to the press, to the television medium and writers of plays and singers of songs to ridicule these people. Seven years of fighting them with guns has not seemed to do much good. I do not think the violence we have seen during the last 50 years has moved us one inch closer to the brotherhood of man. But men like Martin Luther King have done so. If we needed any further proof that the black man is our equal or our superior, where is there a man today who can replace Martin Luther King?

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but I am afraid his time has expired unless he has unanimous consent to continue.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Bigg: Mr. Speaker, perhaps I could not have ended on a better note.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, my reason for participating in this debate is that four or five years ago I was concerned in proceedings conducted under the Post Office Act leading to the issuance of a prohibitory order against the circulation in this country of what was called scurrilous literature. These proceedings are referred to in the report of the Special Committee on Hate Propaganda, and more particularly at pages 47 to 50.

When I first approached this subject I was like many of the writers of editorials in our newspapers who have been giving us advice in the past few days. I thought that any effort by the state or by the criminal process to control what might be considered to be the expression of political opinion was likely to be harmful to us all. But as a result of my involvement in these proceedings I was for a considerable period of time exposed to the hideous subculture of hate—hate as expressed in the outpourings of the authors of the publications that we had to consider and which were made public by an organization called the National States Rights Party. I was also exposed to the full force and vigour of the hideous hatred of the representatives of this party in Canada.

The result of this experience was to convince me that people who offered documents of this kind and who spoke opinions of this kind were not entitled to the protection of the ordinary democratic rules and principles; that these people, at least in my opinion, were enemies of a free society and that it was in the public interest that something should be done to control what they were trying to say or trying to publish.

We are now faced with this new and important proposal, and no one can say that it has not been well considered. It has been considered by an important committee which held public hearings, which published a report that has been before the public for three or four years. As we all know, a bill in a form somewhat similar to the one presented to us now was considered for two or three years by Their Honours in the other place. This bill—I speak now as a member of the Justice and Legal Affairs Committee—received very careful consideration in committee and, I would make so bold as to say, has been improved as a result of the discussion held and suggestions made there.

• (9:50 p.m.)

We are faced with a proposal in an amendment moved by the hon. member for Calgary North (Mr. Woolliams) which would have the effect of deleting from this bill its two most important provisions, those which prohibit public incitement of hatred and permit the authorities to impound, seize and otherwise prevent the circulation of written material expressing hatred. I find it very difficult to believe that people who have read this bill carefully could think it could be directed at the innocent and the honest expression of

free political opinion. The opening words of proposed Section 267B are as follows:

> Every one who, by communicating statements in any public place, incites hatred against any identifiable group, where such incitement is likely to lead to a breach of the peace, is guilty of—

It goes on to say that certain defences are provided, such as the defence of truth, the defence of expressing arguments which are in the public interest, and the defence of expressing arguments which are made in good faith. I have risen to speak in this debate simply because, as I said earlier, I have had first-hand exposure to written hatred, to personal hatred and to the application of the judicial or semi-judicial process to it.

I am not troubled at all by the wording of this bill. I do not have the same difficulty that has been expressed by other members about the various defences because, for what my experience is worth, the wording is not very difficult and it certainly would not be very difficult for the judiciary of this country to deal effectively with people charged under these provisions and to consider such defences as truth, good faith and the expression of argument made in the public interest. These are things experienced judges can easily ascertain, assess and apply in the circumstances presented to them. In the proceedings with which I was connected all these defences were raised, yet it was not difficult for the expert tribunal which considered the matter to put them in proper perspective and find that they did not apply.

I therefore welcome the opportunity to support the hon. member for Hamilton West (Mr. Alexander), the hon. member for Windsor-Walkerville (Mr. MacGuigan) and others who have said that this kind of legislation can be enacted in good heart by this House. It is important for Parliament to set a standard, and the prohibition of hatred expressed in an odious and terrible way is as important to this Parliament as our Criminal Code provisions against blasphemy, criminal libel and seditious utterances. For these reasons I urge the House to reject the amendment of the hon. member for Calgary North and to support the bill.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, because it is almost ten o'clock and any remarks I make at this time will barely introduce my speech, I suggest we call it ten o'clock.

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

[Mr. Blair.]

BUSINESS OF THE HOUSE

Mr. Turner (Ottawa-Carleton): Mr. Speaker, speaking on behalf of the Government House Leader, we intend—despite a previous announcement, and having talked to other House leaders—to continue tomorrow with the debate at the report stage of Bill C-3, dealing with hate literature. If tomorrow the report stage is concluded, the House may want to consider waiving the rules and proceeding with third reading of the bill.

PROCEEDINGS ON ADJOURNMENT MOTION

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

SOCIAL SECURITY—INQUIRY AS TO TABLING OF WHITE PAPER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, one of the highlights in the Speech from the Throne at the opening of this session—and it will be found at page 2 of *Hansard* for Thursday, October 23, 1969—was the declaration that a white paper on social security would be presented to Parliament during the course of this session.

I may remind the House that in the previous session there had come to our knowledge the fact that a document known as the Willard report was being prepared. I expressed the hope that that report might be tabled during that session of Parliament, and the Minister of National Health and Welfare (Mr. Munro) held out the hope that that might be done. However, it now appears that the government has no intention of making public the Willard report. Rather, the government has fallen back to its promise to make public its own white paper on social security which presumably will be based on its study of the Willard report.

As I have already said, the commitment to table the white paper in the course of this session was one of the promises in the Speech from the Throne, and hon. members will not be surprised if I say I have been asking for it just about every month since this session began. The first occasion was on Monday, October 27, 1969, as recorded at page 95 of *Hansard* when I asked again about the Willard report only to be told that we could not

count on seeing it, but I was reminded that there would be a white paper on social security and I quote these words from the Minister of National Health and Welfare:

—which will be brought before Parliament in the course of the next few months.

As I say, that was on October 27, 1969. I will not take the time of the House or take my own time to read all the questions I have asked during the last several months about this, but if I did they would tell the story of a receding hope. A long time ago we were to get the Willard report; then it was changed to the white paper; we were going to get a white paper soon; we were going to get it during the course of the session; we were going to get it within a few months, for after all it was a highlight of the Throne Speech. As the months have gone on, the hope that we would see that white paper in time for anything to be done on the basis of it during the course of this session seems to be disappearing.

• (10:00 p.m.)

The last occasion I questioned about this was on Wednesday, March 25, 1970, as recorded in *Hansard* at page 5466. On that day I asked the Minister of National Health and Welfare if we could look forward to the tabling of the white paper on social security when we came back after the Easter recess. The minister's answer was in these words:

Mr. Speaker, I do not believe the white paper will be ready by the time the hon. member indicated.

My colleague the hon. member for Vancouver-Kingsway (Mrs. MacInnis) came in with a supplementary question, asking on what date we would get the white paper. The minister's reply to her was as follows:

The only assurance I can give, Mr. Speaker, is that it will be ready before the end of this session.

Then I put this supplementary question:

Will it be in time for any action to be taken on it during this session?

To that the minister replied:

I do not believe so, Mr. Speaker.

Sir, I contend that is a very sad reflection of the government's position with regard to the old age pensioners and other people in this country who look for progress in the field of social security. This document, the white paper, was held out to us in the Speech from the Throne last October as one of the highlights in this session. We have asked for it repeatedly and now are told we will not get it in time for anything to be done in respect of it during the course of this session. I suppose it probably will be tabled during the last week of the session so that then it will receive newspaper coverage and all that kind of thing, in the hope that the people of Canada will think something may be done about it at the next session.

In view of the length of time it takes to get a white paper, I expect we will go through another session trying to get the government to bring in its legislation. This is really reprehensible, particularly in view of a certain piece of legislation that was put through Parliament just before Easter having to do with our own pensions. We did not have to wait for a white paper on social security, but the old age pensioners are being told they must wait for that document.

This applies not only to them but also to the veterans receiving war veterans allowance. They are being told that their case cannot be considered in conjunction with the study of the Woods report or the white paper on veterans legislation. They must wait until we have the white paper on social security. In other words, there are many hundreds of thousands of people involved, when we consider those on the old age pension. Remember that three-quarters of a million of them are in such straitened circumstances that they are able to qualify for the guaranteed income supplement. When we add to that number those on the war veterans allowance and the many others who are on the borderline in need of increases in their pensions, it is a conservative estimate that at least one million people in Canada are having to wait for the tabling of the white paper for an improvement in their economic position.

Yet the government cannot bring down the white paper. I am being charitable when I say the government cannot bring it down. I contend that the government refuses to bring it down. I believe the government has made a deliberate decision, that if it is to do anything at all in this field, it will stall until as close as possible to the next election. We have had far too much of this over the course of the years. It is all right to talk about having to fight inflation and having to enlist the old age pensioners and the war veterans in the battle against inflation, but we did not join it ourselves by what we did just before Easter. Therefore, Mr. Speaker, I say this is a policy the government should not pursue, the policy of delaying the tabling of the white paper.

Proceedings on Adjournment Motion

I know that the white paper when it comes down will not by itself do anything. I know that after that there has to be legislation. I am not one who expects to be greatly delighted by the white paper, for I believe it will probably say some things that are grossly inadequate. But if the government has decided that the tabling of its white paper is the next step before there can be legislation in this field, then for heaven's sake bring it down so that we can get on with pension legislation and do something positive to meet the needs of more than one million people who are waiting desperately for action in this field.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the preparation of any thorough review of social security involves a great deal of research, comparison and evaluation of existing programs in Canada and elsewhere, and an investigation of its relations to other areas, like the economy as a whole and regional disparity. At the same time, we know the urgency of the problem, the inefficiency of many existing programs and the amount of personal distress suffered by many in need. However, compassion and sympathy will not solve the difficulties unless supported by a good and workable program. When social legislation is enacted, it must be the best that we can possibly devise.

I can only assure the hon. member that the question is receiving the greatest attention and the highest priority in our department, and that the white paper will be tabled with all the speed compatible with a good, useful and workable program. Again I would like to draw the attention of all hon. members to the assurance that the Minister of National Health and Welfare (Mr. Munro) gave in this House on March 25, that the white paper on social security will be ready before the end of this session.

Mr. Knowles (Winnipeg North Centre): But not in time for action.

AGRICULTURE—PRINCE EDWARD ISLAND—GRANTS TO ESTABLISH TOBACCO FARMS VIS-À-VIS ANTI-SMOKING CAMPAIGN

Mr. H. E. Stafford (Elgin): Mr. Speaker, this afternoon I directed a question to the Minister of National Health and Welfare (Mr. Munro), namely, how does the minister reconcile the recently announced government grants to help establish tobacco farms on Prince Edward Island with his anti-smoking campaign? A few days ago an irate tobacco farmer in Elgin county wrote me, enclosing an article from the Delhi *News Record* which included a picture and a red headline stating that three young Delhi men "start flue farm on P.E.I." The article described the proposed operation regarding the farm, greenhouse and kilns and said in part:

> Financing for these expenditures will be aided by a grant from the federal government.

Unless the minister is able to prove that the soil of Prince Edward Island is such that it will grow tobacco which is totally immune from all the harmful compounds which the minister claims is found in tobacco smoke, I can only conclude that one branch of the government is promoting the growing of tobacco while another is carrying on an anti-smoking campaign to discourage the use of tobacco. All this gives strength to the old adage that the left hand does not know what the right hand is doing. It is confusing, to say the least.

Under either the Area or Regional Development Incentives Act the Department of Regional Economic Expansion is making grants for the establishment of tobacco-curing facilities on farms in Prince Edward Island. Under this arrangement many thousands of dollars have been approved and paid to farmers as an incentive for flue-curing tobacco facilities in that province. The Department of Agriculture finances the Delhi Research Station at Delhi, Ontario, in an attempt to improve the yield and quality of the tobacco farmer's crop. Similar experimental work is being carried on by the department at the Harrow Experimental Farm.

The Department of Industry, Trade and Commerce works incessantly to promote the export of tobacco. In the past few months the department sponsored a trade mission whereby representatives of the department and of the Ontario Flue-Cured Tobacco Growers Marketing Board went to Britain, Western Europe, Japan and Australia in an attempt to increase tobacco exports. In April, 1969, the Minister of Industry, Trade and Commerce (Mr. Pepin) went to Tokyo on a Canadian trade promotion and made a forceful case for tobacco. The Japanese market is very important to future exports of Canadian tobacco, and the minister tried to persuade the Japanese government to liberalize its imports of tobacco. The minister even smoked a Canadian cigar in front of one of the Canadian booths to show the Japanese how good they are.

• (10:10 p.m.)

Three departments are doing their best to encourage more people in economically depressed areas to get into the production of tobacco, improve the quality of tobacco and increase our export sales. All this while the Department of National Health and Welfare is doing its best to eliminate cigarette smoking. What kind of policy is it that encourages people to develop tobacco farms with one hand and then threatens to cut them off at the knees with the other?

Perhaps we should look at our basic policy, if we have one. A policy so diverse and leading in opposite directions cannot all be right. Our trade missions are moving around the world helping Canadian farmers sell their tobacco. Can we possibly live with our conscience when one department tries to discourage Canadians from smoking while another goes out of its way to encourage the nationals of other countries to use our tobacco products? Of all times in our economic posture when we are doing everything to cut back government expenditures, we must make certain that such expenditures are made under a prime policy.

The right of people to smoke is established. It is a matter of free choice. I would be the first to assert that the public should be made aware of the risks involved. It distresses me that the minister bases his case against tobacco on evidence much of which is dubious to say the least. In contrast, we appear to be spending money directly toward a policy which if implemented might be disastrous, namely, the legalization of the use of marijuana. Yet in contrast to the use of tobacco we have available compelling evidence of the dangers of marijuana.

In a public statement made in western Canada shortly before the appointment of the LeDain commission, the Minister of National Health and Welfare implied that the government might consider legalizing marijuana if a minority of Canadians use it. The Leader of the Opposition (Mr. Stanfield) has suggested that he knows no particular harm in the use of marijuana. These statements are made in the face of research authorities in Canada, the United States and Britain that marijuana is proving to be both a personally and socially harmful drug. It leads an impressive percentage of users to hard and dangerous drugs, according to many experts such as Dr. Donald B. Lauria, the chairman of the Department of Public Health and Preventative Medicine at New Jersey College of Medicine, and Dr. F. W. Lundell, associate professor of psychology at McGill University. It causes hallucinations which can have serious consequences, of which no more telling example may prove to be the tragic leap to death from the Peace Tower of a young man whose 17-year old companion was found in possession of hashish. The preliminary research of Dr. Lundell indicates the probability of permanent brain damage from the use of marijuana.

All this leads us to question the consistency of policies in the Department of National Health and Welfare itself. The minister chose, on very preliminary research on cyclamates where cancer was produced in a mouse which received large doses of cyclamates, to stop the use of cyclamates in food products, where on the other hand he talks of legalizing marijuana on which there is considerable research evidence on the dangers of its use. I call on the Minister of National Health and Welfare to clarify these matters in his department, and for the government to issue a clearcut statement on them.

I know hundreds of tobacco farmers who are deeply concerned over the inconsistencies of government policy relating to tobacco. They have every reason to be alarmed. In fact, the council of Delhi and the county council of Norfolk are on record with resolutions urging the government to exercise real caution in its approach to this situation on which the lives of thousands of people depend.

Hon. members should know that tobacco growing in recent years has been the most stable of our agricultural products. It is, next to wheat, our largest agricultural export commodity and this year will generate more than $60 million in export sales. It is also the bedrock of the Canadian tobacco manufacturing industry, supplying virtually 100 per cent of the requirements of an industry which this year will be the largest single source of revenue of the Canadian government, contributing about $600 million to the federal treasury. It is the government's responsibility to provide clearcut policies.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, at the outset I should like to say that I regret the minister was unable to be here this evening to answer the hon. member. The information that we have obtained from departmental officials is that there is no federal grant program available to help establish tobacco farms in Prince

Edward Island or elsewhere in Canada. Such grants may have been made by the provincial government but this, of course, would be outside the jurisdiction of the federal government.

I should like to draw the hon. member's attention to the report of the Standing Committee on Health, Welfare and Social Affairs which studied tobacco and cigarette smoking. As far as assistance to tobacco growers and workers in the tobacco industry is concerned, the recommendation was as follows:

> Your committee recommends that the Departments of Regional Economic Expansion, Agriculture, Manpower and Immigration, Industry, Trade and Commerce, and National Health and Welfare co-ordinate their efforts to assist the tobacco growers and workers in the tobacco industry to adjust to the major changes which will eventually develop.

I expect there will be a great deal of development in this field because the minister is now preparing draft legislation based on some of the recommendations of the committee. I am sure that if the hon. member listens to the explanation to this bill which will be given, I hope by the minister himself, a lot of the smoke and doubt that is beclouding many minds with regard to this matter will be dissipated.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Wednesday, April 8, 1970

The House met at 2 p.m.

PRIVILEGE

MR. TURNER (OTTAWA-CARLETON)—MISQUOTATION OF EVIDENCE BEFORE STANDING COMMITTEE

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I rise on a question of personal privilege. I rise to express a grievance about a serious misquotation on the part of the hon. member for Halifax-East Hants (Mr. McCleave) in the House on the evening of April 6. His quotation of my evidence before the Standing Committee on Justice and Legal Affairs was torn from its context and if read in its context carries a meaning that is quite the reverse of the meaning he saw fit to attribute to it.

The effect of what he said was that I led the Standing Committee on Justice and Legal Affairs to believe that none of the breathalyzer provisions in the omnibus criminal law amendment bill would be brought into force unless all were brought into force simultaneously. I did no such thing, Mr. Speaker. In fact, what actually transpired is quite to the contrary, and I propose to deal with this matter in detail before the Standing Committee on Justice and Legal Affairs at the first convenient opportunity.

Mr. McCleave: Mr. Speaker,—

Mr. Speaker: Order, please.

Mr. McCleave: I rise on a question of privilege, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member will be given that opportunity in a moment. I doubt whether it would be in order to debate the minister's question of privilege. It may be that the hon. member for Halifax-East Hants has his own question of privilege. We will come to that in a moment. So far as the minister's point is concerned, it seems to me what we have before us is a disagreement between two hon. members as to what was said or what was not said when evidence was heard before a standing committee of the House of Commons. That, in my estimation at least, does not meet the requirements of a question of privilege. The Minister started his remarks by saying he had a grievance. I suggest that the Minister of Justice put himself out of court at that moment and there is not a prima facie question of privilege.

Mr. Baldwin: Perhaps he should refer this matter to the Supreme Court of Canada, too.

Mr. Speaker: Perhaps the discussion might be pursued in other circumstances, but I would not think that the point ought to be discussed further by way of a question of privilege. Having said that, it may be that the hon. member for Halifax-East Hants has his own question of privilege. I will hear him on that.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I shall be there on Tuesday. The record will be fully quoted at that time and will substantiate what I have said in the House.

ROUTINE PROCEEDINGS

INTERNATIONAL COURT OF JUSTICE

TABLING OF LETTER TO UN SECRETARY-GENERAL SUBMITTING RESERVATION TO ACCEPTANCE OF COMPULSORY JURISDICTION

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, hon. members are aware that the government has given notice of its intention to introduce today two bills dealing with protection of Canada's marine environment and the living resources of the sea. I wish now to table a copy of a letter which Canada's Ambassador to the United Nations has delivered to the Secretary General submitting a new reservation to Canada's acceptance of the compulsory jurisdiction of the International Court of Justice. This reservation is intended to guard against any possible litigation of certain features of these two bills.

Canada strongly supports the rule of law in international affairs. Canada has made known to other states that it is prepared to participate actively in multilateral efforts to develop agreed rules on the protection of the environment and the conservation of the living resources of the sea.

International Court of Justice

• (2:10 p.m.)

[*Translation*]

Canada is not prepared however to engage in litigation with other states concerning vital issues where the law is either inadequate or non-existent and thus does not provide a firm basis for judicial decision. We have therefore submitted this new reservation to Canada's acceptance of the compulsory jurisdiction of the International Court relating to those areas of the law of the sea which are undeveloped or inadequate.

[*English*]

It is well known that there is little or no environmental law on the international plane and that the law now in existence favours the interests of the shipping states and the shipping owners engaged in the large scale carriage of oil and other potential pollutants. There is an urgent need for the development of international law establishing that coastal states are entitled, on the basis of fundamental principle of self-defence, to protect their marine environment and the living resources of the sea adjacent to their coasts.

In spite of this new reservation, Canada's acceptance of the compulsory jurisdiction of the court remains much broader than that of most other members of the United Nations, and it is the hope of the government that it will prove possible to reach agreement with other states on the vital need to develop the law to protect the marine environment and its living resources so as to make it possible for Canada again to broaden its acceptance of the court's jurisdiction.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, one would need to see the bills to which the Prime Minister referred and would also require very full information before making any kind of definitive comment upon the statement of the Prime Minister. We must recognize that it constitutes a serious step, a step hardly in the right direction, for Canada to reduce the jurisdiction of the International Court of Justice. I am not passing judgment at the moment on whether or not this is the correct decision in the circumstances. I do say that the government has made this decision without any consultation with Parliament and without any discussion in Parliament.

It seems to me that the position the Prime Minister has announced today is diametrically opposite to the position he took in the House about a year ago when he indicated he was going to try to resolve all these problems through the United Nations and through consultation with the Secretary General. My point is that we seem to have here a complete reversal of position, without any real discussion in Parliament, on a matter that we all regard as very serious. The Prime Minister's statement does not seem to settle in any way the question of sovereignty. Presumably we are talking about control of the environment.

I want to know, Mr. Speaker, why the leader of the government has felt it necessary to take this position with regard to the United Nations and reduce the jurisdiction of the International Court of Justice before the bills have been introduced and discussed. Why has he felt it necessary to take this action in an arbitrary manner without, if the government is going to proceed with the proposed legislation, giving an opportunity to the members of this House, the representatives of the people, to express their views on this matter before the adoption by Canada of a position with regard to the jurisdiction of the court?

Some hon. Members: Hear, hear!

Mr. Stanfield: If there is any reason why this arbitrary action has been taken by the Prime Minister and the government before the matter has been discussed by Parliament, then certainly the Prime Minister has not given it to us. I say this is another indication of the secretive manner in which this government behaves; it is another indication of the contempt with which the government treats this House.

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, at a time in human history when every nation and all peoples in the world are seeking to establish an international rule of law, it is obviously extremely regrettable that the government of this country, a country which has a position of some importance in the international family, should find it necessary to reduce the extent to which Canada is ready to submit itself to the rule of international law.

I say to the Prime Minister that this matter should at least have been discussed at some length by the appropriate committee of Parliament. The reasons in favour of the need for such a reservation should have been given to us in full, with the officials of the government explaining in much greater detail than the statement now before us does the present legal situation, the present composition of the

International Court of Justice, the fears which the government has, and the validity of those fears. If every country in the world, every member of the United Nations, were to reduce the sphere in which it would be internationally bound every time it was faced by a matter of national interest, pretty soon the whole concept of the International Court and, indeed, of the United Nations itself, would be dead and buried. This is the issue which concerns us so very deeply.

I am not persuaded from the information contained in the Prime Minister's statement that the reservation is necessary. Possibly his advisers and he have studied the situation and reached a conclusion which may be valid. But I also say that as members of this Parliament I and all others who sit in this chamber have the right to possess as much information about this matter as the Prime Minister himself possesses in order that we may intelligently understand and evaluate the action taken by the government.

At least the Prime Minister should have had the humility not to do any double-talking in this statement. What nonsense it is to say, "Canada strongly supports the rule of law in international affairs", when in the next breath he says he does not intend to be bound by it. We should stop this hypocrisy in international affairs. There has been enough of it in the United Nations and elsewhere. I do not think we serve the cause of peace and international law and order by indulging in this kind of double-talking hypocrisy, and I resent it.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, it is unfortunate that we did not receive the French text of the statement just made by the Prime Minister (Mr. Trudeau).

Still, I believe that the government is well advised in being concerned about such an important question as zoning and fishing rights. In my opinion, it is imperative that our government take time to discuss the matter very seriously with bordering countries so that it becomes clear what position Canada is to adopt in future concerning our vested interests in our territorial waters.

• (2:20 p.m.)

[*English*]

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF PRESIDENT OF BRITISH BOARD OF TRADE

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, may I have your indulgence to call to the attention of hon. members the presence in the gallery of a most distinguished member of the British cabinet, the Right Honourable Roy Mason, M.P., President of the British Board of Trade.

Some hon. Members: Hear, hear!

LABOUR CONDITIONS

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

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I seek unanimous consent—hopefully, the consent of the President of the Privy Council—to move a reference under Standing Order 43. My reasons are very simple and dramatically alarming. They concern the almost unprecedented unemployment situation in Canada. I am referring to the 6.5 per cent unemployment rate in Canada generally, the 9 per cent rate in Quebec, the 13 per cent rate in the Atlantic provinces, and the reported 22 per cent in Canada's newest province. This is definitely an unprecedented rate of unemployment.

My reason for seeking unanimous consent to move this motion is simply that the government's fiscal and monetary policies are continuing to have a tremendously detrimental effect on the Canadian economy. The programs of the Department of Regional Economic Expansion are not having any effect because they are not getting off the ground and offsetting the impact made by unemployment.

Since this problem is one that affects all Canadians, either because they are unemployed or because they face the danger of becoming unemployed, I should like to move, seconded by the hon. member for Edmonton Centre (Mr. Paproski), the following motion:

That the chronic unemployment situation in Canada, which is especially serious in the disadvantaged areas of Canada, be referred to the Standing Committee on Manpower and Immigration.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Gander-Twillingate under the terms of Standing Order 43. This motion requires the unanimous consent of the House to be proceeded with. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not, so the motion cannot be put at this time.

Mr. Bell: They are waiting till its gets to 20 per cent.

Mr. Lundrigan: Mr. Speaker, on a point of order, is there any practice under our parliamentary rules whereby the names of those who oppose such a motion are actually recorded in *Hansard*?

Mr. Baldwin: That would make *Hansard* hate literature.

ARCTIC WATERS POLLUTION PREVENTION BILL

PROVISIONS RESPECTING DEPOSIT OF WASTE, PLANS AND SPECIFICATIONS OF WORKS, SHIPPING SAFETY CONTROL ZONES, ETC.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-202, to prevent pollution of areas of the Arctic waters adjacent to the mainland and islands of the Canadian Arctic.

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

TERRITORIAL SEA AND FISHING ZONES ACT

PROVISION OF TWELVE-MILE TERRITORIAL SEA, ELIMINATION OF CONTIGUOUS FISHING ZONES

Hon. Donald S. Macdonald (for the Secretary of State for External Affairs) moved for leave to introduce Bill C-203, to amend the Territorial Sea and Fishing Zones Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

RESEARCH, DEPARTMENT OF FINANCE

Question No. 613—**Mr. Comeau:**

1. In 1968-69 and 1969-70, what were the estimated sums spent on research in the Department of Finance and what was the purpose of each research project?

2. How much money was actually expended according to Dominion Bureau of Statistics figures?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Finance and the Dominion Bureau of Statistics as follows: 1.

	1968-69 $	1969-70 $
Survey of the Characteristics of the Post-Secondary Student Population in Canada during the Academic Year 1968-69	45,000	30,000
Studies on Aspects of the Carter Commission Report on Taxation	4,500	
Investigation of the Effects of Canada's present Income Tax System, of the tax structure proposed by the Royal Commission on Taxation, and of various alternatives including the proposals put forward in the White Paper	(Note 1)	(Note 1)

Note 1—This research study has been carried out in the Department. It is not possible to relate a cost figure as Departmental personnel work on various projects at the one time.

2. The Dominion Bureau of Statistics does not have actual expenditures on research for 1968-69 and 1969-70. A survey requesting information on actual expenditures for 1968-69 and estimates for 1969-70 on research in the natural and engineering sciences is in process.

[Mr. Speaker.]

BEAUCE CONSTITUENCY—CMHC LOAN FOR CONSTRUCTION OF HOME FOR AGED

Question No. 856—**Mr. Rodrigue:**

Did Central Mortgage and Housing Corporation approve a loan for the construction of a home for the aged at Vallée Jonction, Constituency of Beauce and, if so, what is the amount of the loan?

Hon. Robert K. Andras (Minister without Portfolio): In 1969 Central Mortgage and Housing Corporation approved one loan, un-

der Section 16 of the National Housing Act, for $380,000 in Vallée Jonction, Québec. This project will accommodate 50 elderly persons in four self-contained units and 44 hostel beds.

COST OF BILINGUAL SIGNS

Question No. 929—**Mr. Skoreyko:**

In the period January 1, 1969 to January 1, 1970, what was the total cost of replacing unilingual signs with bilingual signs in (a) the National Parks in Canada (b) federal government buildings in Canada (c) Banff National Park (d) Jasper National Park?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Indian Affairs and Northern Development, Public Works and Transport as follows: (a) $519,800. (b) Total cost by Department of Public Works, $6,646.38; total cost by Department of Transport, $1,345. (c) $104,000 (included in (a) above). (d) $65,000 (included in (a) above).

RAILWAY PASSENGER RATE PER MILE

Question No. 1,056—**Mr. Comeau:**

How does the railway passenger rate per mile between Yarmouth and Halifax compare with the rate between Montreal and Toronto?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Minister of Transport advises as follows: In so far as the Canadian Transport Commission is concerned: Based on information provided by the Canadian Pacific Railway, the railway passenger rate per mile between Yarmouth and Halifax is 4.98 cents. Based on information provided by the Canadian National Railways, the railway passenger rate per mile between Montreal and Toronto is as follows: Red fare days, 2.96 cents; White fare days, 3.55 cents; Blue fare days, 3.85 cents.

*LORD'S DAY ACT—TRUCKING OPERATIONS

Question No. 1,113—**Mr. Caouette:**

1. How many road transport companies have been authorized under Paragraph (x) of section 11 of the Lord's Day Act, R.S.C., Chapter 171, as amended by section 94 of the National Transportation Act, 14-15-16 Elizabeth II, Chapter 69, to provide unlimited and uninterrupted transportation service for merchandise on the Lord's Day?

2. What are the names of the companies so authorized by virtue of the above amendment?

3. How many transport companies are presently requesting a similar privilege?

4. Which companies are presently making such a request?

5. What reasons are cited by these companies requesting such permission?

6. Have any persons or groups at present shown opposition to or approval of such requests and, if so (a) what are the names and addresses of these persons or groups (b) what reasons were offered for approval or opposition?

7. Does the federal government plan to interpose or reveal its opposition to or approval of such requests to the Canadian Transport Commission?

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Minister of Transport advises as follows: Insofar as the Canadian Transport Commission is concerned: 1. One.

2. Day and Ross Limited.

3. Three.

4. Smith Transport Limited, Montreal, Quebec. H. Smith Transport Ltee, Dorval, Quebec. Normans Transfer Limited, Montreal Quebec.

5. The reasons cited by the companies are contained in the applications submitted to the Canadian Transport Commission, which applications are open to public inspection.

6. Yes. (a) Those persons or groups who have to date filed interventions are: (1) Mr. David M. Duncan, Q.C., Director of Legal Services, Ontario Department of Transport, Ferguson Block, Queen's Park, Toronto 5, Ontario. (2) Mrs. Lida Matusiah, 2103 Dunelm Street, Ottawa 8, Ontario. (3) Rev. W. R. Underhay, 27 Hawthorne Avenue, Charlottetown, P.E.I. (4) Miss G. Goodison, 14 Lawrence Ave. East, Toronto 319, Ontario. (5) Mrs. Bruce Bailey, 11 Aberdeen Street, Galt, Ontario. (6) Mr. Donald E. McLean, 12 Longbow Road, London, Ontario. (7) Mr. Latham C. Burns, 330 Spadina Road, Apt. 1805, Toronto 178, Ontario. (b) The reasons offered for approval or opposition (where stated) are contained in the interventions, which are open to public inspection.

7. The question of such requests is one coming under the exclusive jurisdiction of the Canadian Transport Commission.

[*English*]

FINANCIAL ASSISTANCE FOR ANTI-POLLUTION PROGRAMS

Question No. 1,119—**Mr. Southam:**

In light of President Nixon's announcement that the USA will contribute 10 billion dollars toward State and Federal Anti-Pollution Programs, will the Canadian Government give consideration to revising its present policy by making available a substantial sum of funds to assist governments at all levels in Canada in their fight against pollution of land, air and water?

Questions

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): During the current session the government has announced a number of measures for combating the problems of environmental pollution including the provision of additional funds to Central Mortgage and Housing Corporation to finance municipal sewage plants, and special allowances under the Income Tax Act in respect of structures and equipment primarily for the purpose of preventing or reducing air and water pollution. Other measures are under consideration. In addition, the problems of pollution were discussed at the Federal-Provincial Conference held in Ottawa on February 16th and 17th, 1970 and discussions between governments on this subject are continuing.

NATIONAL HEALTH AND WELFARE—APPLICATIONS FOR RESEARCH GRANTS

Question No. 1,131—**Mr. Orlikow:**

1. How many applications for grants to finance research projects did the Department of National Health and Welfare receive in each of the past three years?

2. What was the total dollar value of the projects requested from the Department of National Health and Welfare?

3. How many of the applications made to the Department of National Health and Welfare were approved in full?

4. How many of the applications were approved in part only?

5. How many applications for research grants were turned down in each of the last three years?

6. What were the reasons for the refusals?

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

Part	Fiscal Year	Health Grants	Welfare Grants	Fitness and Amateur Sport Grants
1.	1967-68	362	59	62
	1968-69	342	68	41
	1969-70	294	55	32
2.	1967-68	$5,694,057	$649,088	$763,103
	1968-69	$6,546,739	$949,513	$704,007
	1969-70	$5,638,808	$1,037,507	$569,707
3.	1967-68	213	43	9
	1968-69	196	45	8
	1969-70	175	24	9
4.	1967-68	69	3	10
	1968-69	75	1	15
	1969-70	48	12	13
5.	1967-68	80	13	43
	1968-69	71	22	18
	1969-70	71	19	10

6. The reasons for refusals were as follows for the different types of grants:

Health Grants: Inadequacy of design. Lack of originality of research activity. Lack of relevance to the scope of the grants program. Lack of funds.

Welfare Grants: Inadequacy of research design and/or methodology. Lack of relevance to the scope and/or frame of reference of the grants program. Lack of funds. Withdrawal of application.

Fitness and Amateur Sport Grants: Lack of scientific priority. Inadequacy of design and methodology.

[Mr. Southam.]

RICHMOND CONSTITUENCY—CROWN OWNED LAND

Question No. 1,149—**Mr. Beaudoin:**

Does the Crown own land in the constituency of Richmond and, if so (a) how many parcels, what is the acreage and what is the location (b) what is the number, acreage and location of such lands presently leased for forestry operations (c) what is the number, acreage, use and location of such lands leased for purposes other than forestry operations?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Public Works and the Department of Transport as follows: (a) Yes, 12 parcels of land at the following

locations: Bramptonville, .2 acres; Town of Windsor, .3 acres; Town of Richmond, .4 acres; Town of Asbestos, .4 acres; Village of South Durham, .1 acres; St. Adolphe de Dudswell, (also known as Village of Marbleton), .3 acres; Municipality of Walton, .1 acres; Municipality of Weedon, .1 acres; Village of Garthby Station, .1 acres; Township of Ham, .7 acres; Village of Disraeli, .3 acres; Township of Stoke, 4.6 acres. (b) Nil. (c) Nil.

TESTING OF TELEVISION SETS FOR RADIATION

Question No. 1,370—**Mr. MacDonald (Egmont):**

1. In each year 1965 to 1969, what number of television sets were tested for harmful radiation?

2. Which were the sets that had acceptable radiation levels from all sides of the television set at a distance of one foot?

3. (a) What is considered an acceptable level of radiation (b) how is it determined (c) what sets in 1966, 1967, 1968 and 1969 continued to emit harmful radiation?

4. What steps are being taken by the government to prohibit the production of television sets which emit harmful radiation levels?

Hon. John C. Munro (Minister of National Health and Welfare): 1. During the last three years the Radiation Protection Division of the Department of National Health and Welfare has tested new colour television sets as well as sets in private homes. The number of sets tested by year of make are as follows: 1965, 33; 1966, 89; 1967, 12; 1968, 160; and 1969, 144.

2. The tests were designed to measure radiation dose ratios close to all surfaces of the sets, and no systematic measurements were made at a distance of one foot.

3. (a) Recommendations by the International Commission on Radiological Protection required that the dose rate near the surface (5 cm. of any set not be greater than 0.5 mR/hr. under normal operating conditions. (b) The radiation dose rates were determined both by electronic equipment and by a photographic method standardized by the Radiation Protection Division. For the majority of the tests the latter method was used. (c) In a survey of domestic television sets carried out last year it was found that about 20% of sets purchased in 1966 or earlier emitted radiation which, in some degree, exceeded the Standard of 0.5 milliroentgen/hour recommended by the International Commission on Radiological Protection. The proportion fell to 14 per cent in 1967, 8 per cent in 1968 and 4 per cent in 1969. Examples of such sets were found among all popular makes.

4. The Division has a continuing program of checking new models as they are produced. The Department is drafting detailed technical safety specifications and will shortly introduce them in the form of regulations which will govern the manufacture, sale and import of all television sets in Canada.

COWANSVILLE PENITENTIARY—SALARIES OF PROFESSIONALS

Question No. 1,428—**Mr. Rondeau:**

1. What was the total of salaries paid to all categories of professionals employed by the Penitentiary in Cowansville during the year 1969?

2. Who were these professionals and what were the required qualifications for each job?

3. What is the salary of each of these professionals and their official salary ranges?

Hon. G. J. McIlraith (Solicitor General): 1. $62,024.

2. Name	Profession	Required Qualifications
Dr. N. E. Monast	Physician	Must be in possession of an M.D. enabling him to be licensed by the Provincial License Authority (or equivalent qualifications).
Dr. J. Beaudry	Dentist	Must be a full qualified Dentist enabling him to be licensed by the Provincial Licensing Authority.
Mr. J. G. J. Benoit Mr. J. J. R. Rousseau Mr. J. R. E. Bachand Mr. J. H. G. Bouchard	Teacher Teacher Teacher Teacher	Minimum qualifications: Jr. Matric, plus one year of study leading to the granting of a recognized Teaching Certificate.
Rev. R. Dufort Rev. J. D. McCord	Chaplain Chaplain	Must be fully ordained in an established religious faith and approved by the Church Head of the church concerned.

Questions

3. Name	Present Salary	Salary Range
Dr. N. E. Monast	$ 5,000 (Contract)	$8,320 (Part-time rate)
Dr. J. Beaudry	$ 3,328 (Contract)	$8,320 (Part-time rate)
Mr. J. G. J. Benoit	$ 8,193	$6,998—$11,380
Mr. J. J. R. Rousseau	$10,583	$6,998—$11,380
Mr. J. R. E. Bachand	$ 9,787	$6,998—$11,380
Mr. J. H. G. Bouchard	$ 8,193	$6,998—$11,380
Rev. R. Dufort	$11,658	$9,912—$11,658
Rev. J. D. McCord	$ 5,282	$5,282 (Part-time rate)

ANCIENNE-LORETTE AIRPORT—AIRCRAFT OVERSHOOTING LANDING STRIP

Question No. 1,438—**Mr. Godin:**

Since 1965, have any aircraft overshot the landing strip at Ancienne-Lorette airport and, if so (a) what is the runway number (b) what type of aircraft were involved and (c) in each case, what was the distance covered beyond the runway?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Yes. (a) 06, (b) Vickers Viscount and Fairchild F27, (c) 300 feet, 500 feet, 800 feet, 200 feet.

CURBING AIRCRAFT NOISE AND SONIC BOOMS

Question No. 1,442—**Mr. Mather:**

Is consideration being given to curbing aircraft noise and sonic boom over populated areas?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Transport and the National Research Council of Canada as follows: Yes. At a recent meeting of the International Civil Aviation Organization, of which Canada is a member, agreement was reached on a noise certification plan which will ensure that all new turbojet aircraft undergoing initial airworthiness certification after January 1, 1969 do not exceed predetermined levels of noise when taking-off or landing at an airport. It is expected that the first new types of aircraft subject to the noise certification plan should be in service by 1974. In the interim every effort is made to control the noise of aircraft in the vicinity of airports through the implementation of noise abatement procedures and curfews where required.

With regard to the operation of supersonic civil aircraft over Canada: these aircraft will not be allowed to fly at supersonic speeds until it has been established that this will not be detrimental to the people of Canada.

Improved designs for stator blades in turbomachinery are being tested by the National Research Council of Canada.

[Mr. McIlraith.]

CAPE BRETON DEVELOPMENT CORPORATION PRE-RETIREMENT PROGRAM

Question No. 1,509—**Mr. Muir (Cape Breton-The Sydneys):**

1. Has the Minister of Labour received a letter from Mr. Daniel Bonnar, 100 Fraser Avenue, Sydney Mines, Nova Scotia, dated February 7, 1970, protesting in general the pre-retirement program of the Cape Breton Development Corporation and also the fact that men who were willing to continue work were forced to go on a pre-retirement allowance at sixty years of age?

2. What was the nature of the reply that was provided Mr. Bonnar?

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): 1. Yes.

2. The Minister of Labour replied on February 13, 1970 and explained the nature of the plan which is similar to some 170 individual plans which have been approved by the Unemployment Insurance Commission. The Minister has also explained the functioning of the plan as such.

BUSINESS AND PROFESSIONAL TAX DEDUCTIONS

Question No. 1,576—**Mr. Mather:**

In 1968 and 1969, what was the approximate total of business and professional tax deductions relative to deducting cost of doing work from income?

Hon. Jean-Pierre Côté (Minister of National Revenue): Available figures indicate only the total expenses deducted from gross business and professional income in determining net income from these sources for tax purposes. This figure for 1968 taxation year was $12,385 million. Not available for 1969.

METHOD OF DECREASING JET PLANE NOISE

Question No. 1,577—**Mr. Mather:**

What efforts are being made by the National Research Council to develop an efficient method of decreasing jet plane noise?

Hon. C. M. Drury (President of the Treasury Board): See reply to Question No. 1,442 answered this day.

WAR VETERANS FUNERAL COST ASSISTANCE

Question No. 1,578—**Mr. Mather:**

Is consideration being given to increasing the federal funds available for funeral costs to war veterans and their next-of-kin dependants?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Effective April 1, 1970, the amount payable by the Department and the Canadian Pension Commission under the Veterans Burial Regulations for or towards the funeral expenses of a deceased entitled veteran was increased by 30 per cent from $277 to $360. The amount payable to a funeral director under the Last Post Fund Regulations was also increased by 30 per cent from $240 to $315 effective the same date. The Department has no authority for payment of the funeral expenses of a deceased dependant or next-of-kin of a veteran.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MUNICIPAL SEWAGE PLANT CONSTRUCTION INCENTIVES

Question No. 787—**Mr. Harding:**

1. Did the Acting Minister, responsible for the Department of Energy, Mines and Resources, the Minister without Portfolio from Saskatoon-Humboldt, state in releasing backing material and information on the proposed Canada Water Act that incentives for the construction of municipal sewage plants already exist under the National Housing Act and the hope is that towns and cities will continue to take advantage of them?

2. For the period January 1, 1969 to December 19, 1969 (a) how many applications were received by Central Mortgage and Housing Corporation for financial assistance for the construction of municipal sewage plants under the National Housing Act (b) what applications were approved and what was the expenditure for each approved application (c) what applications were rejected and what was the planned expenditure for each rejected application?

3. What reasons were given by CMHC officials for each application rejected?

Return tabled.

PARKING PERMITS, PARLIAMENT HILL

Question No. 984—**Mr. Rondeau:**

1. How many persons have parking permits on Parliament Hill, other than Members of Parliament?

2. What are their names and addresses?

3. How long have such persons been in the employ of the Public Service?

4. What *criteria* does the government use as a basis for granting such permits?

Return tabled.

*OTTAWA INTERNATIONAL AIRPORT—NEWSPAPER, GIFT STAND AND DUTY FREE SHOP

Question No. 1,121—**Mr. Valade:**

1. To whom did the Minister of Transport grant concessions for the newspaper and gift stand, and the duty free shop at the Ottawa International Airport?

2. Were these concessions granted to the lowest tenderers?

3. (a) How many tenderers were there for each concession (b) who were they (c) what were the conditions offered by each?

4. Were the specifications and other documents required for the tenderers available from the Regional Manager of the Department of Transport in Toronto and, if not, for what reason?

5. Could interested parties obtain these documents in Montreal or Ottawa and, if not, for what reason?

Return tabled.

Mr. Speaker: Notices of motions for the production of papers.

Mr. Rose: Mr. Speaker, you turned the other way and perhaps you did not see me.

Mr. Speaker: Order, please. The hon. member is right on both counts.

Mr. Rose: I should like to ask when the government plans to answer my question No. 81 which has been on the Order Paper since October 23.

Mr. Macdonald (Rosedale): I will make inquiries, Mr. Speaker.

Mr. Broadbent: Mr. Speaker, I should like to make the same inquiry in respect of questions Nos. 162 to 172 inclusive which have been on the Order Paper for almost six months.

Mr. Forest: Mr. Speaker, even though the tracing of the ultimate ownership of about 800 companies has been a time-consuming task, I am informed that the answer should be forthcoming in about a week.

Mr. Orlikow: Mr. Speaker, my question No. 770 has been on the Order Paper almost four months. There are not 800 Crown corporations or agencies and it seems to me that it

should not be that difficult to provide an answer. I hope it will not be much longer before it is supplied.

Mr. Forest: Mr. Speaker, I will inquire of the appropriate department.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion for the production of papers No. 390 is acceptable to the government.

[*English*]

SCIENTIFIC DATA, CYCLAMATE BAN

Motion No. 390—**Mrs. MacInnis:**

That an Order of this House do issue for a copy of the relevant scientific data on which the decision to ban cyclamates was based.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, notices of motions Nos. 285 and 365 are acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations or conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Notices of Motions Nos. 285 and 365 be deemed to have been adopted?

Some hon. Members: Agreed.

ABANDONMENT OF CANADIAN FORCES BASE, CLINTON, ONT.

Motion No. 285—**Mr. McKinley:**

That an Order of the House do issue for copies of all reports, studies, surveys, submissions, petitions, documents and other papers prepared for or submitted to the Government of Canada in respect of the abandonment of the Canadian Forces base at Clinton, Ontario, and in particular, but without limiting the generality of the foregoing, papers on or relating to comparisons of the economic and financial impact of abandonment upon the regional areas respectively surrounding Clinton Base and other Canadian Forces Bases in Ontario.

Motion agreed to.

SALE OF TIMBER, STONY CREEK INDIANS

Motion No. 365—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or department thereof and any other person, government (including the Stony Creek Indian people in British Columbia) since January 1, 1964 relating to the sale of timber of the said Indian people.

[Mr. Orlikow.]

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, will you be so kind as to call notices of motion No. 389?

I ask, Mr. Speaker, that the other notices of motions be allowed to stand.

[*English*]

REPORT ON PROPERTY APPRAISALS, RIDING MOUNTAIN PARK

Motion No. 389—**Mr. Stewart (Marquette):**

That an Order of the House do issue for a copy of the appraisers' complete report by the firm Rohne-Trumpour Realties Service Limited who were selected by the Department of Indian Affairs and Northern Development to do the commercial appraisals of property in Riding Mountain National Park.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the appraisal report is considered a privileged document, as it contains information on the yearly land rental to be paid by the leaseholders in Riding Mountain National Park. The land rental figures form part of the lease agreement which constitutes a confidential landlord-tenant relationship. The government does not table such documents, which would represent a breach of this confidence, without the express written consent of the lessee. Under the circumstances I would therefore ask that the hon. member withdraw his motion.

Mr. Stewart (Marquette): Transfer for debate.

Mr. Speaker: The motion is transferred for debate.

• (2:30 p.m.)

ORAL QUESTION PERIOD

TRANSPORT

SECOND VOYAGE OF "MANHATTAN"—EXTENT OF AUTHORITY OF CAPTAIN OF ICEBREAKER "ST. LAURENT"—CONTINGENCY PLANS IN EVENT OF OIL SPILL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Transport who was here a moment ago.

Mr. Bell: He is behind the curtain smoking with the Minister of Health.

An hon. Member: Tally-ho!

Mr. Stanfield: Mr. Speaker, my question relates to the voyage of the *Manhattan*. Can the minister tell the House what instructions have been given to Captain Fournier of the icebreaker *St. Laurent* authorizing the captain of the icebreaker to take command of the expedition when in his opinion there is risk of an accident?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the details were included in the letters I tabled yesterday between the Department of Transport and the Humble Oil Company. I am speaking from memory now because I do not have the letters in front of me. They are to the effect that the captain of the icebreaker, Captain Fournier, would have the authority—I am trying to recall the precise words—to terminate or advise the captain of the *Manhattan* that he should not proceed farther should he feel that the circumstances are too precarious to warrant any further penetration of the ice. But I would refer the Leader of the Opposition to the letter because it might answer the question more specifically.

Mr. Stanfield: Mr. Speaker, do these instructions give the captain of the icebreaker the authority to terminate the whole expedition, with compliance by the *Manhattan,* or do they simply give authority to the captain of the *St. Laurent* to decide when he should take the icebreaker out of the situation?

Mr. Jamieson: Mr. Speaker, again I refer to the letter which indicates the conditions we laid down. The letter from the Humble Oil Company indicates their willingness to abide by these conditions. If both are read together I think they would indicate that the captain of the *Manhattan,* if so advised by the captain of the Canadian icebreaker, would be required to change direction in line with the recommendations of the captain of the Canadian vessel.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary for the Minister of Transport. What contingency plans have been made to deal with pollution should the *Manhattan* be crushed in the ice, control not having been taken over by the *St. Laurent*?

Mr. Jamieson: Mr. Speaker, I will be pleased to provide the hon. member and the House with a copy of some of the details of the contingency plan. Briefly, I believe there are three or four frogmen on board the Canadian vessel who have all the necessary apparatus. There are booms on board for the containment of any oil spilled and various absorbent substances which in Chedabucto Bay have proven to be the most effective in terms of sopping up the oil—I suppose "sopping" is the proper term. There are other details and I will make them available to the hon. member.

Mr. G. W. Baldwin (Peace River): I have a supplementary question, Mr. Speaker, for the Prime Minister. In view of the fact that this voyage is now taking place at a time when this legislation is being brought forward, accompanied by the Prime Minister's interesting statement, will the Prime Minister discuss with the President of the Privy Council the prospects of bringing forward immediately in the House a debate and discussion on second reading of these bills so that consideration may take place at the appropriate time?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will gladly discuss that with the House Leader. I hope members of the opposition will not judge that the *Manhattan* has been in contempt of Parliament.

EXTERNAL AFFAIRS

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wonder whether the Prime Minister is in a position today to give us some information regarding the decision of the government of the United States to transfer large quantities of lethal gas from Okinawa to Bangor, Washington, via the Strait of Juan de Fuca. Can the Prime Minister tell the House whether or not the Canadian government was notified of this action and whether or not it was assured of any precautionary measures being taken? Can the Prime Minister also tell us the approximate date when this transfer will take place?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker. Since the question was raised I have inquired of External Affairs. Although I would prefer that the minister, when he returns from Europe, give a more detailed answer, I can assure the hon. mem-

ber and the House that there have been discussions between officials between the two governments on the nature and kind of preventive measures which have been taken by the United States. They appear to be extremely elaborate.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Prime Minister whether he is prepared to tell the House what these precautionary measures are? Some United States scientists have indicated it is possible to detoxicize the nerve gas. Is this being done, or are the precautionary measures merely careful handling of the product?

Mr. Trudeau: Mr. Speaker, I believe some of these measures are of a confidential nature. At any rate, at this stage I am not prepared to enter into the details.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Prime Minister whether representations were made to the United States government by the government of Canada in respect of this matter, when they were made, what was the nature of the representations and what was the nature of the reply?

Mr. Trudeau: Mr. Speaker, I am afraid I cannot answer in detail. Obviously there have been some exchanges since there has been an exchange of information between the two governments. We have asked what precautions are being taken. We have been told what those precautions are and we have been engaged in an assessment of their sufficiency.

Right Hon. J. G. Diefenbaker (Prince Albert): I have a supplementary question, Mr. Speaker. Will the Prime Minister not give more details than he has already supplied? Will he state whether or not consent was given by the Canadian government to the shipment of 8,000 to 10,000 tons of this dangerous material? If so, on what basis was the consent given?

Mr. Trudeau: Mr. Speaker, I know of no basis on which Canadian consent is required by the United States for them to operate in their own waters.

Mr. Diefenbaker: Mr. Speaker, that answer of course is as facetious as usual. The effect that would be felt by the people of British Columbia in the event anything should happen is too dangerous to be played with by such words on the part of the Prime Minister.

[Mr. Trudeau.]

[*Translation*]

FINANCE

LOANS BY FINANCIAL INSTITUTIONS FOR PURCHASE OF RUSSIAN FARM MACHINERY

Mr. Henry Latulippe (Compton): Mr. Speaker, my question was for the Minister of Finance, but as he is absent I will put it to the Prime Minister.

Can he tell the House whether Canadian farmers will be eligible for loans from our financial institutions for the purchase of Russian farm machinery which is being sold at prices 35 or 40 per cent lower than those of Canadian farm implements, and whether the Canadian farmers will be informed of this possibility?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I take this most interesting question as notice on behalf of my colleague.

[*English*]

NATIONAL DEFENCE

PROGRAMS FOR RIVERS AIR BASE

Mr. Craig Stewart (Marquette): Mr. Speaker, my question is for the Minister of National Defence. The minister is on the roster today but as he is not here I shall direct the question to his Parliamentary Secretary. In view of the fact that No. 4 flying training program, the last training operation at Rivers air base, is being transferred to Portage as of July 1, what new programs will be announced for Rivers air base?

Mr. Speaker: It seems to me this is a question which normally should be answered by way of a general statement. If the hon. member considers there is urgency about the matter, it might very well be considered at the time of adjournment.

Mr. Stewart (Marquette): Mr. Speaker, the people of western Manitoba think it is very urgent.

Mr. Speaker: Then if it is urgent I would co-operate with the hon. member to make sure it is given priority for debate at the time of adjournment.

ADMINISTRATION OF JUSTICE

RIGHT OF ACCUSED TO WITHHOLD EVIDENCE —STATEMENT BY MR. JUSTICE HAINES— POSITION OF GOVERNMENT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of

Justice. In view of the very unfortunate remarks made by Mr. Justice Haines before the Medical Association which indicated that in the mind of the learned judge there should be no right on the part of an accused to withhold evidence at a criminal trial, would the minister seize the first available opportunity to indicate that this is not the view of the government and that the government's position is that the rights of an accused person will be maintained?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, Mr. Justice Haines was not speaking from the bench but was making a speech on a private occasion. I have already made a comment to the effect that these certainly are not the views of the Attorney General of Canada.

Mr. Baldwin: I have a supplementary question, Mr. Speaker. Would the minister indicate to the judge that these views are probably contrary to those of the Prime Minister who does not feel that members of the opposition should be heard?

Mr. McIlraith: They are not the present Prime Minister's views but those of a former Prime Minister.

POST OFFICE

MONTREAL POSTAL DISPUTE—REQUEST FOR STATEMENT ON OFFERS AND DEMANDS

Mr. David Lewis (York South): I should like to direct a question to the President of the Treasury Board. Would he be prepared to undertake to make a statement to the House on motions tomorrow outlining the various offers made by the government to the truck drivers involved in the postal dispute in Montreal and outlining also the additional requests or demands which they have made of him at the various meetings they have held with him?

Hon. C. M. Drury (President of the Treasury Board): I would think that the hon. gentleman, who has had considerable experience in labour negotiations, would appreciate that until such time as these have been concluded it would not be helpful to try to debate in the House the merits of the course being followed.

Some hon. Members: Hear, hear!

An hon. Member: What is all that clatter over there all about?

Mr. Lewis: I have a supplementary question, Mr. Speaker. In view of the great experience of the President of the Treasury Board in the mismanagement of labour relations in this country—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Perhaps the hon. member might ask the question.

Mr. Lewis: That was a necessary preface, Mr. Speaker.

Mr. McIlraith: Quite improper.

Mr. Lewis: May I ask the minister whether in his view it is more important for him to issue press releases giving the details of these matters than to make a statement to this House?

Mr. Speaker: Order, please. The hon. member will recognize, I am sure, that the question in those terms is not acceptable.

Mr. Lewis: May I reword it, Mr. Speaker, and ask the President of the Treasury Board whether he did issue a press release outlining the offers made by the Treasury Board in the negotiations with the men and their union and, if so, whether he would be prepared to elaborate on the points in that press release for the further information of members of this House?

Mr. Drury: It is correct that a press release was issued in agreement with the union. The time of issue was agreed upon with them. As I mentioned earlier, in light of my considerable administrative malpractice the hon. member would not regard as very helpful a further elaboration of what is going on.

Some hon. Members: Hear, hear!

Mr. Lewis: I agree with the minister and so do the truck drivers in Montreal. May I ask him, however, a further supplementary question. In view of the importance of some of the negotiations and the inquiry before Mr. Goldenberg, would the minister undertake to table in the House all the documents which were presented to Mr. Goldenberg during the course of his inquiry, including the contracts which have now been cancelled and memoranda presented to the commissioner regarding the situation in Montreal?

Mr. Drury: I would be glad to consult Mr. Goldenberg regarding the tabling of all the documents that he has received. I suspect, without knowing this, that some of them may be of a confidential nature, but I will be glad to inquire.

Inquiries of the Ministry

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker, which I wish to direct to the President of the Treasury Board. In view of the frequent emphasis the Prime Minister places on the long periods of planning that the government puts behind all the moves it makes, I should like to ask the President of the Treasury Board whether everything is going according to plan in connection with this matter?

Mr. Baldwin: The word is "plot".

Mr. David Orlikow (Winnipeg North): I have a supplementary question for the President of the Treasury Board. Are discussions still going on with the union representatives of the employees in Montreal or has the government now made its final offer?

Mr. Drury: As I mentioned a moment ago, I do not think the details of the negotiations could usefully be discussed here, but let me say that the door is still open for further conversations.

An hon. Member: Further conversations?

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a further supplementary question for the Prime Minister. Is the Prime Minister giving any consideration to requesting that the Minister of Labour return as soon as possible from his vacation to deal with this very serious labour problem?

CORPORATE AFFAIRS

DELAY IN PROCESSING APPLICATION FOR LETTERS PATENT BY JOHN BULLOCK AND OTHERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, because of the fact that it has been impossible to secure information from the Department of Consumer and Corporate Affairs in connection with an application made by John Bullock who has recently been trying to save Canadians from some of the shortcomings of the white paper on tax reform—

Some hon. Members: Oh, oh!

An hon. Member: Be serious.

Mr. Diefenbaker: Apparently he has been even more successful than I thought he was, judging from the groans I hear. As I am informed that he and his associates applied for letters patent on January 19, almost three months ago, and the matter is still under consideration, will the minister say whether the unnecessary and unexplainable delay is due to the fact that Mr. Bullock is connected with the application?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): As minister I only concern myself with important things, and I am not aware of this application to begin with.

Mr. Diefenbaker: Better ask the Minister of Finance whether he knows about it.

NATIONAL SECURITY

METHOD OF SCREENING APPOINTEES TO HIGH POSITIONS—DIRECTOR OF INFORMATION CANADA

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the right hon. Prime Minister. Will he make a statement to the House as soon as possible on the method of security screening of political appointees to high federal government positions, and particularly with respect to the recent appointment of Mr. Jean-Louis Gagnon?

Some hon. Members: Oh, oh!

Mr. Muir (Cape Breton-The Sydneys): Rise to your feet, leader.

Mr. J. P. Nowlan (Annapolis Valley): I have a supplementary question, Mr. Speaker. Can the Prime Minister advise the House whether the government has decided what portions of the report of the Royal Commission on Security are to be implemented?

Right Hon. P. E. Trudeau (Prime Minister): I made a very lengthy statement in the House on those portions of the royal commission report which were being implemented; at that time I said that some aspects of it were still under consideration, and they still are.

Mr. Nowlan: I have a supplementary question for the Minister Without Portfolio responsible for Information Canada. In view of the appointment of the director of Information for the Minister without Portfolio before this appointment was made any security clearance was done, on the basis of the commission report, by one of the three following agencies, namely, the security panel, the Privy Council office, or the director of security and intelligence of the RCMP?

Hon. Robert Stanbury (Minister without Portfolio): I think the hon. member knows that appointments of deputy ministers are the prerogative of the Prime Minister.

Some hon. Members: Oh, oh!

An hon. Member: You don't like him either, eh? That explains it.

Mr. Diefenbaker: The one-man government.

Mr. Stanbury: I only hope, Mr. Speaker, that questions of this kind do not sink this country into a new McCarthy era.

Some hon. Members: Hear, hear!

Mr. Nowlan: I can understand why the minister has no portfolio in view of that type of remark. In view of the answer given by the Minister without Portfolio ,my question is now directed to the Prime Minister. Before the appointment of the director of Information Canada was there any type of clearance by any of the three agencies mentioned in the commission report, namely, the security panel, the Privy Council office, or the director of security and intelligence of the RCMP?

Mr. Trudeau: In answer to this question and with reference to the reaction which was created by the statement of the Minister without Portfolio, I would like to remind the House that the practice of giving the responsibility for the appointment of deputy ministers or people at that level to the Prime Minister was begun by Sir John A. Macdonald and is recorded as such in a minute of the council many, many years ago. To answer the second part of the question, it is, of course, my responsibility to ensure, when anyone at this level is being appointed by me, that the proper security assurances have been given.

Mr. Nowlan: A supplementary, Mr. Speaker. Were such assurances given?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Nowlan: Mr. Speaker—

Mr. Speaker: Order, please.

Mr. Nowlan: Mr. Speaker—

Mr. Speaker: Order. I have a point of order too—I have the floor. The hon. member seeks the floor on a point of order.

Mr. Nowlan: Mr. Speaker, I appreciate the Prime Minister's answer. This is a serious matter and no one is suggesting otherwise, but because it is a serious matter members of the opposition or members of the government are entitled to ask questions on such important matters, especially when they have not come before Parliament by any vehicle whatsoever. It is because of the latter part of the Prime Minister's answer stating what the policy has been that I asked the supplementary to my supplementary: were such assurances given and accepted by the Prime Minister?

Mr. Trudeau: Mr. Speaker, I can assure the House that I have such assurances. Of course if members of the opposition have any vital or secret information on this subject—from other sources than Ron Gostick—or others—I would suggest it is their duty to convey such information to the Solicitor General.

Mr. Nowlan: A supplementary, Mr. Speaker, and it is only because of the importance of the matter. In view of the insinuation of the Prime Minister, would he exercise the influence and power of his office to have this whole agency, Information Canada, with the director of Information Canada, referred to the appropriate committee of the House and because there is no committee—

Mr. Macdonald (Rosedale): Un-American activities.

Mr. Nowlan: —on supply and services at the moment, would the Prime Minister—if the President of the Privy Council wants to get up out of his seat and speak in the House I would be glad to hear him—would the Prime Minister use his good offices, because we should clarify this matter now rather than have it amplified—

Mr. Speaker: Order. The question period is only 40 minutes and we have to give an opportunity to all hon. members. Perhaps the hon. member might ask the question so that we can get on.

Mr. Nowlan: I appreciate your stricture, Mr. Speaker. Did the President of the Privy Council suggest this was an old McCarthy ploy?

Mr. Macdonald (Rosedale): I said you sound like Joe McCarthy's boy.

Mr. Ricard: You sound like an empty barrel.

Mr. Speaker: We will go on to another question. The hon. member has asked a number of supplementary questions. Perhaps we might go on to another question.

Mr. Nowlan: I appreciate we must get on with the business of the House but this is

part of the business of the House, Mr. Speaker. In view of the addendum of the President of the Privy Council I would much rather not accept the insinuation, but in view of some of the questions raised on this side of the House I would hope that the Prime Minister would use the power and persuasion of his office to have this whole matter of the director referred to the appropriate standing committee of the House.

Mr. Speaker: The hon. member for Battleford-Kindersley.

Mr. Nowlan: On a point of order, Mr. Speaker, the Prime Minister got up on his feet to answer the question.

An hon. Member: He needs protection.

Mr. Speaker: The hon. member for Battleford-Kindersley.

PENITENTIARIES

INVESTIGATION OF SUICIDES

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Solicitor General. In view of another suicide in one of Canada's penitentiaries, making a total of seven so far this year, what does the Solicitor General plan to do about this very awkward social problem?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, as I indicated in the House on two occasions within the last few days, we are taking a very serious view of this matter. I am having an investigation made in the Montreal area on the number of recent suicides there by a committee composed of three staff members of the government correctional agencies, a psychologist, a classification officer and a classification director with, as a consultant Professor Frechette, a psychologist and professor of criminology. This Committee is investigating the regrettable suicides in the Montreal area.

Within the department I am also having research done on all suicides since 1959 and at the conclusion of this will take whatever steps are necessary to get to the root of this situation. In addition we are examining matters—

Mr. Speaker: Order, please. The hon. member for Simcoe North.

Mr. Baldwin: A supplementary—

Mr. Speaker: Order, please. I wonder whether we might not move on to another subject. I feel a bit guilty that a number of members have been awaiting an opportunity since yesterday to ask questions. The hon. member for Simcoe North.

[Mr. Nowlan.]

HEALTH AND WELFARE

RELEASE OF PREVENTIVE MEASLES VACCINE

Mr. P. B. Rynard (Simcoe North): My question is for the Minister of National Health and Welfare, Mr. Speaker. In view of the interesting dilemma surrounding the astronauts due to contact with German measles and the great increase in this disease, with its attendant morbidity and mortality, in certain states of the United States in many people not vaccinated, even though a preventive vaccine has been in use for the last year, when can we expect release of this preventive vaccine in Canada?

Hon. John C. Munro (Minister of National Health and Welfare): I will be pleased to check into the matter and let the hon. member know, Mr. Speaker.

Mr. Bigg: On a question of urgent privilege, Mr. Speaker, don't anybody panic but a fire bomb has been dropped outside Room 235. I was wondering what explanation there might be for this rather serious breach of security.

An hon. Member: We didn't do it; we are all here.

Another hon. Member: Another government backbencher revolting.

Mr. Bigg: Mr. Speaker, I wonder if we might have the proper party look into this matter.

Mr. Speaker: I am sure the matter is being looked into if the situation is as suggested by the hon. member.

LABOUR CONDITIONS

PROGRAMS TO ALLEVIATE UNEMPLOYMENT

Mr. William Skoreyko (Edmonton East): Mr. Speaker, it never fails; I get to my feet and the members of the press gallery leave. I should like to ask the Prime Minister a question. In view of his impending absence from the House in a few weeks and in view of the serious unemployment situation across Canada, would the Prime Minister enlighten the House before his departure on any impending programs that might alleviate the situation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, my impending departure will take place in a month's time so I think the question may be premature.

Mr. Steven E. Paproski (Edmonton Centre): A supplementary question for the Prime Minister, Mr. Speaker. In view of Canada's growing commercial and economic ties with Japan, will the Prime Minister consider making his forthcoming Osaka trip an all-party affair to show united Canadian support for Expo 70?

Mr. Trudeau: Yes, Mr. Speaker, I will give it consideration but I must advise the hon. member that there is a limit to the weight that can be carried on the aircraft.

An hon. Member: You can go by reindeer.

Mr. Paproski: Mr. Speaker, I can understand the Prime Minister's irritation after viewing last night's Academy Awards. A supplementary, Mr. Speaker. I do not wish to go on the trip, but would the Prime Minister consider at least inviting the leaders of the other parties?

TRANSPORT

APPLICATION BY U.S. RAILWAY TO CARRY COAL FROM FERNIE, B.C. TO ROBERTS BANK

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the Minister of Transport. Is it the intention of the government to clearly instruct the Canadian Transport Commission to reject the request of Kaiser Steel to deliver coal from Fernie, B.C. to Roberts Bank by an American railway?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I do not think it would be in any way appropriate for the government to issue instructions with regard to a hearing now under way before the commission. If and when the commission reaches its decision it will then, of course, be subject to appeal and will be dealt with in the appropriate manner at that time.

REGIONAL ECONOMIC EXPANSION

SYDNEY, N.S.—INVESTIGATION OF HUSTLER CORPORATION

Mr. John Burton (Regina East): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion. On March 25 the Parliamentary Secretary to the minister took notice of a question by the hon. member for Oshawa-Whitby asking if his department was conducting an investigation into the affairs of Hustler Corporation in Sydney to determine if there was a misuse of public funds. Could the minister report on this matter and indicate to the House what action is being taken by his department or by Devco to deal with this situation where I understand there has been a shutdown of operations?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, my department is not doing anything but Devco is inquiring into the matter. I have had no report up to now. I understand that in the meantime the management has been changed.

Mr. Burton: A supplementary question, Mr. Speaker. Is Devco giving any consideration to making arrangements to take over the operations of Hustler Corporation so that employment may be continued at this plant?

Mr. Marchand (Langelier): Mr. Speaker, I can inquire into this and make a report later.

HISTORIC SITES

PRESERVATION OF HOME OF HUGH JOHN MACDONALD

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the minister responsible for historic sites. Has the hon. gentleman received a report from the National Historic Sites and Monuments Board with respect to the historical significance of the former home of Hugh John Macdonald in Winnipeg?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No, Mr. Speaker.

Mr. Dinsdale: A supplementary question, Mr. Speaker. In view of the imminence of the demolition of this building, which I believe is to start on April 15, can the minister give an assurance that this matter is under active consideration and that there will be a report before that date?

Mr. Chrétien: Mr. Speaker, I understand the board is looking into it right now. I will inquire and report to the hon. member.

BROADCASTING

APPLICATIONS TO TAKE OVER CKPM FREQUENCY

Mr. Robert Simpson (Churchill): Mr. Speaker, may I address a question to the

Secretary of State? In view of the fact that the Canadian Radio-Television Commission has announced that the broadcasting licence of radio station CKPM is only being renewed for the balance of this year, will the minister look into the matter and determine how many applications have been received for this new assignment? Also, is it a fact that some of these applications were received before the announcement was made?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I could inquire and give the hon. member the information he is requesting.

[*English*]

NATIONAL PARKS

BONNE BAY, NFLD.—POSITION OF GOVERNMENT REGARDING ESTABLISHMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I address a question to the Minister of Indian Affairs and Northern Development. Would the minister indicate his department's position with regard to the establishment of a national park at Bonne Bay, Newfoundland, in view of the white paper announced by the premier of that province which categorically rejects the government's plan for the park?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I did receive the report yesterday and I am studying it at present. I will be pleased to give the hon. member my views on this matter as soon as I have completed my study of the report.

[*English*]

POST OFFICE

CARRYING OF MAIL BY OTHER AIRLINES IN ADDITION TO AIR CANADA

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. In view of a statement made by the minister a few days ago, as reported in a press dispatch by Victor Mackie, may I ask the minister if the government is giving consideration to any means whereby the carrying of mail on our cross country air routes might be given to lines other than Air Canada?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think this question should more properly be directed to the Minister of Communications. All I know is what I have read in the papers.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Inasmuch as the press report says that the statement was made by the Minister of Transport, is he not in a position to comment on it?

Mr. Jamieson: Mr. Speaker, what I said, I believe, was that I understood that negotiations or talks were going on, but I am not in possession of information respecting the specifics of those talks.

EXTERNAL AFFAIRS

TRIP TO EXPO 70 BY PRIME MINISTER—COMPOSITION OF PARTY

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Prime Minister a question about his impending trip. I assure him I am not seeking accommodation myself. I wish to know whether in his party on the trip there is to be an expert on grain selling, so that the good will created by the Prime Minister in the course of this trip can be turned to immediate advantage in perhaps opening up supplementary markets for our wheat in the countries the Prime Minister will be visiting?

Right Hon. P. E. Trudeau (Prime Minister): Of course, Mr. Speaker—

Some hon. Members: Hear, hear!

An hon. Member: Bravo!

Mr. Trudeau: Thank you.

Mr. Muir (Cape Breton-The Sydneys): Come on. Don't be like that. Stand up! Stand up!

Mr. Trudeau: I don't understand.

Mr. Muir (Cape Breton-The Sydneys): We realize that you do not understand. The Prime Minister does not understand a lot, especially with regard to unemployment in the country.

Mr. Speaker: Order, please.

Mr. Muir (Cape Breton-The Sydneys): That does not bother the Prime Minister; unemployment does not bother him. He does not worry.

Mr. Stanfield: Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Stanfield: All right, now—

Some hon. Members: Oh, oh!

Mr. Stanfield: If this is a joke it is a joke, but I am asking the Prime Minister a serious question and I should like a serious answer.

Some hon. Members: Hear, hear!

Mr. Muir (Cape Breton-The Sydneys): Come on, Oscar.

Mr. Speaker: Order, please.

Mr. Macdonald (Rosedale): Give your leader a chance.

Mr. Speaker: Order, please.

[*Translation*]

TURKEY—ASSISTANCE TO EARTHQUAKE VICTIMS

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I should like to reply to a question that was taken as notice yesterday and that came from the hon. member for Saint John-Lancaster (Mr. Bell) in connection with the earthquake in Turkey.

The Canadian International Development Agency has given the International Red Cross an amount of $15,000, through the Canadian Red Cross, following the earthquake in Turkey. As a matter of fact, the Canadian Red Cross has likewise granted an additional $15,000 to the International Red Cross.

[*English*]

Mr. Speaker: The hon. member for Red Deer.

Mr. Horner: Mr. Speaker, I rise on a question of privilege which affects all members of the House and particularly your office. We have just seen a demonstration of control in the House of Commons. The Prime Minister of this country has deliberately usurped your office and authority in this House by his attitude, his petulant attitude.

Some hon. Members: Oh, oh!

Mr. Horner: Hon. members can laugh, but this is still a democracy and I am raising a question of privilege which affects this House and every member of it.

Some hon. Members: Hear, hear!

Mr. Horner: The Prime Minister, by his very attitude, reflected on your authority to keep order in the House of Commons and he would not reply to a serious question put to him by the Leader of the Opposition. He would not reply to him because of a few cat-calls.

Some hon. Members: Oh, oh!

Mr. Horner: We have all been subjected to them. I do not get very many but I do not complain about the few I do get.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Horner: I try to continue talking. I respect your authority and your command of the House. The Prime Minister reflected on your duties and your position in the House, and that should not go unnoticed because it affects the privileges of every person here. When the Leader of the Opposition asked a serious question he got no reply because the Prime Minister felt he could not stand the cat-calls. If you can't stand the heat, get out of the kitchen!

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: I think this might be a very good moment to call orders of the day.

• (3:10 p.m.)

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed from Tuesday, April 7, consideration of Bill C-3, to amend the Criminal Code as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and Motion No. 2 (Mr. Woolliams).

Mr. R. N. Thompson (Red Deer): Mr. Speaker, may I direct the attention of the House to the legislation before us, Bill C-3.

Mr. Speaker: Order please. May I call the attention of hon. members to the fact that the conversations going on make it very difficult for the Chair to hear the hon. member who has the floor.

Mr. Thompson: Mr. Speaker, I wish first of all to say, through you, to the hon. member for Hamilton West (Mr. Alexander), our distinguished colleague in the House, that I am most grateful for the remarks he made, as are hon. members on all sides of the House. No

one can doubt the sincerity of those remarks and no one can but respect the articulate manner in which they were expressed. If I thought Bill C-3 would bring about that state of affairs in our nation with respect to our people which the hon. member expects or hopes it will bring about, I should be completely in support of this bill. I can but agree with the basic objectives and motivation behind those remarks. I say that with the utmost sincerity. However, Mr. Speaker, it is my opinion that this bill will not accomplish what those who support it hope it will accomplish. I believe that the contrary will prove to be the case. I wish to elaborate briefly on why I believe this.

The matter of genocide and hate literature referred to in Bill C-3 is of very deep concern to every conscientious Canadian. I speak with much feeling on this subject of personal freedom, individual and civil rights. As the result of my own convictions in this regard I spent 15 years, the best years of my life, dedicated to the premise that those less fortunate than myself were entitled to the same assurance of freedom and liberty that I have enjoyed.

Some hon. Members: Hear, hear!

Mr. Thompson: One of the highlights of this experience was my opportunity to travel with a shipload of refugees from Nazi oppression in Europe who were picked up in Lisbon and Cadiz in January, 1944. These refugees were the first to reach the shores of their promised land, by the Mediterranean route, during the midst of war. I was part of that historic voyage.

At this time when the talk of civil rights and race riots in our neighbouring nation, the United States, is part of our daily headlines and the cry of discrimination is heard even in Canada, I think all decent Canadians deplore the dissemination of hatred. However, I am not sure that this situation can ever be better controlled by the implementation of this law. The Prime Minister (Mr. Trudeau) and the Minister of Justice (Mr. Turner), and I direct these remarks to the hon. minister at this time, have made it very clear in previous legislation which we have dealt with in this Parliament that the state has no business in the bedrooms of the nation. In other words, what they have tried to convey has been the fact that you cannot legislate morality; that you cannot, through the passage of laws, improve the nature of men or control their personal habits. In introducing this bill, they are inconsistent with that premise. If the state has no business in the bedrooms of the nation, it has no business in the living rooms of the nation or in the hearts of individuals. It seems to me there is a good deal of inconsistency as far as the government is concerned in pressing this legislation as they are doing. The roots of race prejudice go so deep that they are not likely to be affected by the laws that this Parliament can pass. I am convinced that only when people replace hatred and prejudice with love and tolerance will we ever eradicate prejudice, genocide and hate literature.

It is essential, and this is part of my own personal conviction, that human beings, divinely created with spiritual needs and potentialities, have inalienable rights which must be respected and preserved. I am sure we all agree on this. The question that looms before us is, how can this be assured? I feel sure that this was uppermost in the thoughts and minds of those who sponsored Bill C-3. I believe that those who have been involved in the long drawn-out deliberations over the past five or six years have been motivated by good intentions. However, good intentions alone are not an adequate safeguard.

The real difficulty with Bill C-3 is that it attempts to qualify freedom of speech. Freedom cannot be cut into pieces, discarding, according to someone's opinion, certain aspects and then retaining others. I was particularly impressed by some comments made by the eminent British historian Sir Arthur Bryant. In an article which appeared in the *Illustrated London News,* in 1964 he made the following statement:

> But to render such incitement—

This means incitement such as Bill C-3 is attempting to eliminate.

> —a criminal offence would be, so far as I can see, a denial of the very principle out of which the English belief and practice of toleration has grown. For the essence of that principle is that men should be free to speak and write what is in their minds without the interference or interdict of those in authority, and once that principle is denied, in the name of whatever virtue, freedom of speech and thought must very quickly cease to exist.
>
> However deplorable such ill-education and prejudice, and however important it is to remove them by education and the active promotion of reason and humanity, to prohibit the public discussion of controversial topics because of their effect on vulgar minds can only lead to the establishment of the very despotism we deplore. The reason why the advocates of religious and racial persecution have failed in the past to win support for their vile creeds here, as they so tragically have succeeded in doing in other lands, is because we have allowed freedom of discussion instead of suppressing it.

"Good beats bad where the fight is only free," we used to sing at my old school and it is true.

The true believer in toleration is the man who defends from persecution and victimization the very opponent whose opinions he most strenuously opposes. That is what in this country we mean by respect for freedom, and it will be an ill day for us if we ever lose it.

For every disseminator of hate literature and hatred in this country there are 999, perhaps even 99,999, who are opposed to and abhor such hatred. It is these people, so vastly in the majority, who will control the few who, because of the sickness of their own minds or hearts, are willing to allow themselves to become the disseminators of hatred and prejudice. I suggest to the House that the words of William Ewart Gladstone are very applicable today. He said:

It is liberty—that fits men for liberty—liberty, that is, for every man to express his opinions freely, however unpopular, foolish or wrong-headed they may be. Everyone wants liberty to express his own opinions; the test of a love of freedom is a man's willingness to allow the same liberty to others to express opinions that he detests and despises.

It is impossible to have freedom of speech without having those who will use it for silly, irrelevant and evil causes. This may be a high price to pay, but it is the only true way to preserve the rights of individuals. No matter to what extent a man is wrong, he has the right to express himself. Any attempt to curtail the rights of a communist, Nazi or religious bigot is to also ultimately menace the rights of the sanest and fairest of persons. To attack the rights of one man, is to attack the rights of everyone.

Herein lies the chief evil of Bill C-3. There are others. In 267A(4) an "identifiable group" is defined as "any section of the public distinguished by colour, race, religion or ethnic origin." What is the definition of religion? Who is to define it? I might choose to define the communist ideology as a religion and then I might choose to condemn it as hateful and contemptible. The implications are ridiculous. How can this bill ever become a positive part of our statutes?

• (3:20 p.m.)

The British common law derives its strength from the fact that it is an unwritten code. It is one of the great heritages we have in this country and God forbid we should adopt a substitute. I know that among supporters of the government there are many who agree with what I am saying. A few have had the courage to speak out and express their convictions. I wish they would all do so.

It was Lincoln who said that to sin by silence is to make cowards of men. In speaking to this bill, some of the government's supporters have referred indirectly to an editorial which appeared in the *Globe and Mail* of Tuesday, April 7. They criticized certain parts of it but they never really told us what the editorial had said. Mr. Speaker, I am so convinced about the merit of this editorial that I intend to read it into the record in its entirety in order that hon. members may know the true gist of what the writer was seeking to convey.

"The problem of trying to render synonymous law and morality is that we then come down to the question: Whose morality? Whose standards of behaviour? Whose sense of morality? Who is to determine the standard? Who is to attribute blame? Who is to say what is moral and immoral? Who is to decide when moral responsibility exists in terms of freedom of will, and when it has to be diluted in human terms because of environmental or physical causes?—In a pluralistic society there may be different standards, differing attitudes and the law cannot reflect them all. Public order, in this situation of a pluralistic society, cannot substitute for private conduct. We believe that morality is a matter for private conscience. Criminal law should reflect the public order only."

This was the very argument used by the Minister of Justice when the amendments to the Criminal Code legalizing homesexuality and amending the laws on abortion and divorce were put through this House.

Mr. Jerome: Did you support it?

Mr. Thompson: I am thinking about hon. members on the other side who then supported that premise and who now seem to be repudiating it by their arguments.

Mr. Jerome: Did you support it then?

Mr. Thompson: No. I stated very clearly my reasons for my not supporting it. Go back to the record in *Hansard*. There were other reasons involved. The editorial from which I have been reading continues:

The speaker: Justice Minister John Turner. The time: a year ago almost to the day. The occasion: the debate on the government's amendments to the Criminal Code liberalizing the law relating to homosexuality and abortion.

Now Mr. Turner is back in the House for the third reading of another amendment to the Criminal Code: the government's hate bill. However, he has conveniently forgotten the determined intention so often expressed by himself and Prime Minister Pierre Trudeau to separate law and morality. Mr. Trudeau's famous statement was that law doesn't belong in the bedrooms of the nation. But neither does it belong in the hearts of its citizens.

Yet that's where the hate bill would put it. The bill is a clear attempt to legislate morality. Its main section would make it a crime to communi-

cate statements that promote hatred. Why? Not because anything follows from that. Not because public order is disturbed. Not because windows are broken or a mob becomes unruly. Not because anyone is endangered or because there is an assault or a trespass or a breach of the peace or even the likelihood of a breach of the peace. It simply says it is wrong and a crime to promote hate. Period.

In this context it has nothing to do with the public order.

That is the answer to the hon. member across the way who has been asking questions.

Our history is littered with examples of the futility of trying to regulate morality. As Harry Arthurs, Associate Dean of Osgoode Hall, has repeatedly said, it just won't work. Belief in this kind of law "rests upon a miscalculation about the efficacy of criminal law".

Mr. Turner recognized the truth of this and applied it in that same debate on homosexuality and abortion. He concluded by saying, "A penal law is not a good law unless it is an enforceable law. A law which is not enforceable is not a good law. The same applies here. And as if to compound the folly, the government would make the hate legislation even less of a law than it otherwise would be by saying that it could only be invoked with the specific consent of the Attorney-General. That changes it from law to political discretion. It would apply not to all citizens. It would apply only to the citizens Mr. Turner wanted it to apply to.

On top of that, even when he did apply it, the law would mean different things at different times. An escape clause says promoting hate would be all right—there would be such a thing as justifiable hatred—if it was for the public benefit.

Each judge, each jury, at each different point of time will have a different answer. What one day was an exercise in freedom of speech another day could become a criminal act.

Hatred can't be banned absolutely. At least the bill recognizes that. There are so many willing, even eager, to be roused to hatred over innocuous statements that an absolute ban would be terribly unjust. But in trying to define what is socially useful hatred the government has entered a catacomb of confusion. It ignores that social attitudes cannot be ruled by law and that the strength of a democracy rests on the sanity and reasonableness of an informed public.

Those words are profound, Mr. Speaker.

As a spokesman for the Canadian Civil Liberties Association said when the bill was before committee: "Many useful utterances in a democratic society incite what could be described, at the very least, as bitter feelings." It is the citizens, not the law, who must cope with these feelings. If they fail, then our society fails. And only the law will be left standing righteous and indignant and alone.

I might refer at this point to another editorial on this subject which appeared in the same paper on May 18, 1966. It reads, in part:

In Canada we have heretofore jailed people for offences they have committed. Are we now to jail them for what they only intended to do, though the opposite may have occurred, or even to jail them for what they did not intend to do, and for what did not happen anyway? That is a net from which few poor fish, indeed, may escape.

What it comes down to is that truth and freedom are fashioned, always and forever, in a furnace of controversy.

This House has proved the truth of that statement over and over again.

Someone is always uttering something to incite somebody to hatred and contempt against some group or other, and sometimes it serves the public good and sometimes it does not. Therefore, if we create a law to stop the mouths of the ugly little neo-Nazis we create a law that sometime, somewhere may be used to stop other mouths—and those other mouths may belong to the prophets and the redeemers. In the past, they often have.

I would remind the Minister of Justice of the truth of that statement. I also wish to quote at this point the statement made by Dr. Frank R. Scott, a scholar on legal and political affairs. This is what he said when he appeared before a Senate committee in April of last year:

"I don't want the state in the sitting rooms of the nation any more than I want it in the bedrooms of the nation. I think my right to intellectual freedom is even greater than my right to sexual freedom."

This is the essence of his statement.

The protection of these basic rights must not include such action as would defeat its own purpose. With the greatest respect to the hon. members who sponsored this bill, and their reasons for doing so, I say that this measure, if enacted in its present form and if carried to its ultimate end, would result in freedom of the press and freedom of speech becoming a thing of the past. Extreme caution must be exercised; the outcome might be the suppression rather than the retention of truth and justice.

Again, I emphasize that within our free and democratic society there must not be a place for discrimination, prejudice or hatred, whether in relation to colour, creed or race. Basically we shall never achieve the desired goals of freedom unless men's hearts are changed, and the resulting attitudes permit people in all their diversity to live in tolerance and peace with their neighbours. The problem is much deeper than man-made laws can reach.

• (3:30 p.m.)

If this law were carried to its full extent, I am afraid it would cover any criticism, even the telling of an Irish joke. The president of

the Montreal CNTU would be behind bars for what he said to the Prime Minister (Mr. Trudeau) a few weeks ago if Bill C-3 were the law. Paragraph 267B(2) would back up every separatist. Paragraph 267C could send the editors of *Maclean's* to jail for their attacks on certain groups.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member but I am afraid that his time has expired, unless he has unanimous consent to proceed. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Thompson: Thank you, Mr. Speaker, and my concluding statement will be short. If this bill were law, it could even put Dr. Davidson, the president of the Canadian Broadcasting Corporation behind bars for many of the statements made on the CBC. For example, there was a CBC program last Monday night which attempted to generate hatred toward the citizenry of my own province, the province of Alberta. I doubt that the answer to racial hatred is a law which only emphasizes people's differences and opens the door to bigotry and endless litigation. All citizens of Canada stand equal before the law. It is my conviction that this is the best protection for every man and group within a free democratic concept.

I also want to tell the Minister of Justice that legislation such as this so-called hate literature bill would open the way for every imaginable evil known to mankind in our society, plus some not yet known. A virtual police state would be necessary to ensure that the law would be carried out to the letter. Censorship and book burning will only be a phase in the complete loss of freedom for every Canadian.

I do not speak as a lawyer, because I am not of that profession, nevertheless I am convinced that there are sections of the Criminal Code relating to the subject of criminal libel which do apply to the problem. I would appreciate it if the Minister of Justice would take note of this. Properly used, there is no reason to think they are inadequate to give protection to the person against whom hate literature is directed.

The applicable portion of the Criminal Code is found in section 248 (1) which provides:

> A defamatory libel is matter published, without lawful justification or excuse, that is likely to injure the reputation of any person by exposing him to hatred, contempt or ridicule, or that is designed to insult the person of or concerning whom it is published.

Section 250 provides that:

> Every one who publishes a defamatory libel that he knows is false is guilty of an indictable offence and is liable to imprisonment for five years.

Section 251 provides:

> Every one who publishes a defamatory libel is guilty of an idictable offence and is liable to imprisonment for two years.

Each time a new law is passed, for every right that is granted, a freedom is taken away from someone else. A law like this definitely restricts freedom of speech and of the press. The present law relating to libel maintains a most careful balance between private freedom from libel and the public interest in freedom of speech. New legislation will tend to upset this balance. The world does have evil people as well as good. The exposing of this evil is a matter of public interest, and even sometimes a matter of public duty, even though this may come within the technical category of hate literature.

We must recognize that deliberately false hate propaganda is sometimes used to bring discredit upon respectable and bona fide publications of particular political views. The technique used is to obtain a quantity of the bona fide material, and send it out with scurrilous hate literature to selected persons, who will then tend to associate the two. Here, therefore, the libel is against the victims of the hate, and against the bona fide publisher who is unfairly associated with this hate. Possibly there is need for greater protection within the law for this situation. This could be brought about by amending the present law, by extending it, rather than by replacing it.

In closing, may I emphasize again that within our free and democratic society there must be no place for discrimation, prejudice or hatred, whether it relates to colour, creed or race. Man made laws might assist, but alone they will never solve the problem. Christ put it clearly and simply when He said that "the fulfilling of the law is love. When hearts are filled with love there can be no hatred". Until they are, this problem will be with us. Moral problems are associated with the individual and are something which, in my opinion, are beyond the reaches of a law such as this. Therefore, in this respect this legislation is redundant.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, after listening to the speeches made

on this bill one comes to the conclusion that there is little or no difference of opinion among the members who have expressed their views. All members have contempt for hate literature and hate propaganda, however disseminated.

There are those who believe that this bill must be passed in order to show that we are in good faith. In this respect my mind goes back to an illustration that is found in the New Testament, strikingly pointed out by the man of Galilee who lives enshrined in the hearts of a billion followers. He pointed out that we can be so pharisaical, and illustrated this by saying that many of us wanted to clean up the cup on the outside and forgot about the inside, leaving it with little or no attention.

This allegory can be likened to the hearts of men. I ask myself, is it not the hearts of people and what goes on there that is far more important than this bill or any man made law? All of us have seen laws and certain regulations passed, and having passed them we smugly sat down to rest. As a matter of fact, this reminds me of an old verse that used to be quoted in schools many years ago to tardy students. It concerns a little village that existed in Italy and which over some years prospered and grew. Then, it became smug and self-complacent. The story goes this way, that Atri, in Abruzzi, a little town of ancient Roman date, was one of those little towns that climbed halfway up the hill and then sat down to rest, saying "I climb no further, come what may".

This may very well happen to us when we pass this bill; we may sit down to rest. A war between good and bad is continually being waged in the this world, in the minds of men and this bothers me. Some of us in this House remember the Volstead Act which introduced prohibition and was passed with the best intentions in the world. It followed the line that the temperance movement had followed over the years in educating people against the use of alcohol. From the moment the act was passed, it was a dismal failure; and the temperance people sat down to rest. This legislation was passed to eliminate the ravages of alcohol. It would have saved millions of lives, millions of homes and millions of dollars. But it would not work. All it did was to spawn lawlessness and disorder across this continent. Murderers and racketeers were the end result.

This recital brings me back to the point that no law can take the place of sound teaching, and I refer to the example shown by our own society in our churches, our schools and above all in our homes. All of us must bear a share of responsibility in this permissive society, a society in which we have student unrest, strikes, protest marches. It should be our purpose, our ideal, to create in the hearts of society an atmosphere of goodwill and understanding, the very purpose we are dedicated to in the destruction of hate.

I find it very strange, though I have a very high regard for the Minister of Justice (Mr. Turner), as I know we all have, that the minister has brought in this bill. The provisions of this bill can reach into our homes, yes even into our bedrooms. Indeed, we have the paradoxical situation of his leader, the Prime Minister (Mr. Trudeau), having brought in a bill providing that the law has no business in the bedrooms of the nation and yet this bill contains that very power.

• (3:40 p.m.)

Who defines hate literature or who can define it properly? This is what I ask myself. I believe this bill may hoax the very people it was supposed to protect and conceivably could be used to put them in a straitjacket.

As I look back over the years, I see the racial hatreds disappearing in my lifetime. I realize that over those years some of my best friends have belonged to groups that have found themselves on many occasions the victims of hate and suspicion. Today, with the freedoms we enjoy in this country, we see this situation is rapidly disappearing. The fact that everyone who has spoken in this House to date has been in favour of the principles of this bill illustrates and proves my point beyond peradventure.

Many have expressed the fear that the passage of this bill would slow down the progress of our people toward the point when there would be no class hatred. I sincerely believe, as pointed out by the hon. member for Red Deer (Mr. Thompson), that 99.99 per cent of the people bear good will towards their fellow man and that there are few class or religious hatreds among people today. I believe also that everyone deplores hate literature. I have never seen anyone gloat over hate literature and if I had I would feel he should see a psychiatrist right away.

It is my submission that the greatest security for these people who have been the object of hate literature and propaganda over the years or who might become the victims of class hatred, lies with this 99.99 per cent of

the people. I have much more faith in those people than in any man made laws which may nibble at our freedoms and in the long run destroy us. Yes, I have more faith in the sermon on the mount than I have in any man made law. I believe this bill would defeat the very purpose for which it was drafted.

Mr. Don Mazankowski (Vegreville): Thank you, Mr. Speaker. I welcome the opportunity to speak in support of the amendment proposed by the hon. member for Calgary North (Mr. Woolliams) and to give my endorsement to the position which he has so capably enunciated.

To properly set the stage for my remarks, I should like to begin by concurring with members on both sides of the House who have stated categorically that they believe this bill is a totally unnecessary piece of legislation. I suppose we could argue the pros and cons of the intent of this bill until the next flood or until the cows come home—an expression we use out west—but I think we would still be left with the fundamental truth that no government can legislate the thoughts and emotions of people.

At a time when members of this House agree that we are living in an era wherein we have many laws which are outdated, antiquated and ineffective, and at a time when we are in the process of revising and reforming the Criminal Code, the government sees fit to put another ill-conceived and unworkable law on the statute books. I feel that the government has simply become engrossed in the principle of ruling by divine right, irrespective of the consequences.

I am not a lawyer and I do not intend to concern myself with the legal ramifications of the bill. There is little doubt in my mind, however, that the best legal minds in this country will be hard pressed to make a fair and equitable interpretation of the provisions of this bill. Even here in Parliament where laws are made, it is difficult to find three members who can arrive at a consensus as to what the government is really trying to say in Bill C-3 or what it is trying to accomplish.

I am intrigued by the implication in this bill that any person who has passed the bar examination in any one of our ten provinces, and is admitted to practice, can then justifiably argue and adjudicate in matters of love and hate. For the first time in my life I am being asked to believe that human emotions can be directed and controlled by law in the same way as murder or auto theft, or other human acts. I reject this theory in totality.

Many of my colleagues and other members of the House have taken issue with the so-called safeguards against the misuse or abuse of the provisions of this bill. Where the provisions of a law are open to individual interpretation and the application of such interpretations are left to the discretion of the courts and jurists, then there are no safeguards for the one person who is entitled to that safeguard or guarantee, namely the one who is charged under the law. We have here a law that seeks to control and regulate the emotions of love and hate, and a law that allows the courts of the land to interpret an alleged crime in any way it sees fit. I fear this bill is an open invitation to the commission of gross misrepresentation.

The bill states that a person can legally dispense inflammatory material about other persons and groups if he can prove that such statements are intended for the public benefit. It further states that it is not an offence if the inflammatory statements are factual. I wonder whether this is some kind of a new political or legal jargon. I wonder whether this is a new language that is being written into the statute books. I wonder whether this government is trying to perfect a new and unique language of law, all on its own. If this is the case, perhaps the government will also operate classes in this new law for the benefit of the country's lawyers and jurists. I find it difficult to conceive of any traditional lawyer or judge being able to discharge his respective responsibilities and functions equitably unless he is let in on the open secret of this new terminology.

I am puzzled by the government's position that it can legislate against such an emotion as hate without first taking steps to remove the motivation behind such an emotion. Hate is not a physical quality. Hate is an emotion, a mental quality. So this government is trying to control events after the fact rather than attack the root causes of the problems.

The bill is meant to eliminate or at least minimize the risk of riots or other physical violence by making it illegal to express such public criticisms against a person or persons or identifiable groups on the basis of colour, creed or religion or ethnic origin. Perhaps the one paragraph that should have been included was one to the effect that if the bill were passed we would have an instant flowery utopia.

Hate Propaganda

• (3:50 p.m.)

Perhaps those who drafted this bill should have done a little more research into the effectiveness of other such laws already on the books, such as the laws concerning the illegal use of drugs, for example. We have strict laws with regard to the possession or trafficking of harmful drugs such as marijuana, LSD and so on. At the same time, the drug problem is becoming worse every day. But here again we find it is easier to have a law than to look into the root causes of the problem in an effort to find the motivation behind the usage of these drugs. Another example is the law which prevents farmers giving surplus wheat or other grains to their fellow human beings, even though these people may be on the verge of starvation. To me it is incomprehensible in this supposed age of reason, and in these times of alleged great affluence, these times when we merely pay lip service to humanity and humanism, that we should take up the important time of this House in dealing with a piece of futile legislation such as we have before us today. As much as I favour the efforts of mankind to eliminate hate and suspicion from the world, any attempt to legislate hatred out of sight and out of mind is an exercise in futility.

I dislike the word "hate". I would like to see it removed from the dictionary. I believe there certainly are other ways in which we can remove the hatred, if that is what we wish to call it, that exists in our nation and in other nations. Inequalities and iniquities of individuals in the same society are certainly the underlying causes of hatred and distrust. Any government would be remiss if it did not attack the problem from this direction rather than create a set of laws on top of the laws we already have. In this respect our present government is running true to form by taking the easy way out. As the hon. member for Waterloo (Mr. Saltsman) capably pointed out in his speech last night, if this legislation is enacted the government then can sit back content that it has disposed of the problems of hatred and distrust among all our citizens and between our many ethnic groups.

I do not believe the problem can be disposed of so easily. Unfortunately, human nature cannot be packaged up and delivered in the right amounts to the right places when needed. Equality of individuals in their societies must precede legislation when one is dealing with human emotions. Equality means equal opportunity to act, to speak and to participate. Equality breeds respect for the individual. This is where the whole process of eliminating the root causes of hatred must begin. Before you have equality you must have mutual trust. That mutual trust can come about only through mutual consideration and understanding. Perhaps hon. members may feel I am somewhat old fashioned in my approach to the humanistic problems and perhaps more so because we are living in a very technocratic and complex age. Perhaps this is where we have gone off the track. I must confess I am old fashioned enough to still believe in the strong family unit as the cornerstone of any free and healthy society. We are all witness to the consequence of the collapse of the family unit as the basic unit in Canadian society. There is even stronger evidence of this to the south of us.

Do we need more evidence? Must we fall all the way to the bottom of the ladder before we realize we are losing our grip? I wonder how long it will take our present government to realize we must step back a pace or two in an effort to rescue the individual in our society from the oppressions of want and lack of equality of opportunity. I am one who believes we have everything in this country we need to eliminate the causes of hatred, the causes of discontent and the causes of distrust. I do not believe we need restrictive laws or legislation to control human emotions. Human emotions cannot be restricted. When one tries to restrict human emotions that are striving for expression in thought and ideals, I say one is inviting catastrophe. In Bill C-3 we have the seeds of an enormous catastrophe that will flourish unless we deal with root causes rather than trying to legislate against inevitable consequences. If the government is at loss for a starting point, if it is unable to establish guidelines for a program that would elevate the individual to his rightful status, I might recommend they start with the Ten Commandments. This set of basic tenets has served humanity well for almost 2,000 years.

Perhaps the government might re-emphasize these tenets and rededicate the citizens of this country to the application of the golden rule.

I do not know of anyone who has come up with a better set of standards for human conduct than these two I have enunciated. Of course, if the government should elect to try a basic humanistic approach to our social problems, this would be more difficult than pushing needless legislation through this House. But then perhaps it is time for the government to get up off its majority and get down to work. I could furnish the government

with a long list of names of my constituents who think the government should get to work and face this issue squarely.

To return to the provisions of the bill that would protect ethnic groups from insult, discrimination and slander, as was pointed out by the hon. member for Hamilton West (Mr. Alexander) last night, I can only say that I as a member of an ethnic group am not unfamiliar with the consequences of human indifference or intolerance for others. I, too, have suffered some consequences of intolerance, bigotry and insult. My particular constituency is composed of pockets of people of various ethnic origins. But, Mr. Speaker, neither I nor my constituents have ever believed, nor do we believe now, that such influences could be legislated out of sight or out of mind. I would not be so naïve as to suggest that I, as a citizen of Canada, would be a better Canadian if this law had been in effect when I was a young boy; nor do the people whom I represent feel they would be better Canadians if this legislation had been in effect for the last 100 years. Whatever insults they were subjected to have been eliminated only by hard work and by dedication to the basic human ideals in which they believe.

It is only by learning to appreciate the freedoms with which we are blessed that we can appreciate what it would be like if we did not have them. I say that chipping away at individual freedoms, such as freedom of expression and freedom of choice, will never restore human dignity or nurture human dignity. We need only restore that one quality that is needed to preserve our society and make it flourish. Many of my colleagues have mentioned the fact that we are being led by demagogues masquerading as parliamentarians. If this bill should become law and our fears concerning the real intent of Information Canada are realized, then there is little doubt that demagoguery will flourish in our midst.

• (4:00 p.m.)

Mr. Cliff Downey (Battle River): I should like to speak in support of this amendment. I would say regarding the so-called hate literature bill that, however commendable its intent, I am convinced it is impossible to accomplish this intent by any legislative device. I believe further that the dangers of misuse of this proposed legislation far outweigh any small good that it might hope to achieve.

The first thing that comes to mind with regard to a measure like this is a statement attributed to President Lyndon Johnson of the United States. He said that every piece of legislation should be examined, not in the light of the good it will do if it is properly administered but in the light of the damage it will do if it is improperly administered. I say that there is a great deal of legislation that goes through that should be considered in this light.

I can well understand the strong feelings of some members of minority groups, notably members of the Canadian Jewish community who back this measure. They have suffered much from organized hate campaigns, and even today I suppose they continue at times to suffer some embarrassment and harassment. I deplore this as much as any Canadian but I do not believe that a legislative measure such as the one we have before us will end this persecution, and it could well bring about for other minority groups the very oppression its supporters seek to end. To the best of my knowledge no similar legislation anywhere at any time has been effective in controlling hate. On the contrary, I can see the very likely possibility of this measure being abused to a great extent.

This bill defines an "identifiable group" as being one distinguished by colour, race, religion or ethnic origin. Where would this leave Negroes who, in some cases, have adopted as their slogan "kill whitey"? How would it help them? Would it not work to their disadvantage if they used this slogan? Perhaps even the more reasonable groups would find it would work to their disadvantage.

This bill makes it a criminal offence for anyone to incite or promote hatred or contempt of any identifiable group within the community, and inciting or promoting takes in everything, even to "gestures".

Back at the end of February—to be exact on February 26—there were newspaper stories in the *Globe and Mail* about a panel discussion at Halifax on the cultural and religious life of people in the Halifax-Dartmouth area. During the discussion a young black man threatened to bomb Halifax city hall if Negroes in the community were not treated more fairly. If this bill were passed he would be wide open to prosecution. Is this the sort of thing that Canadians really want to see happen in a free society? Who is to say where rhetorical emphasis, such as many similar threats of violence really are, ends and serious advocacy of hatred and contempt begins?

Over the past two or three years similar wild threats, similar appeals to direct action and the employment of organized intolerance and hatred have featured controversy in our cities, on our campuses, and sometimes in our politics. I believe that the existing provisions of our Criminal Code are quite adequate to control deliberate propagation of hate campaigns and the dissemination of the so-called hate literature. The more law we have on the subject, the greater the margin for abuse.

To my mind, education and the gradual achievement of greater mutual understanding remain the best and only true means of ending such social diseases as discrimination and inter-group hatred. The *Globe and Mail* issue of February 26 contained an editorial about *Contrast*, a newspaper for blacks published in Toronto. It referred to a cartoon in *Contrast* showing Abraham Lincoln in the garb of the Ku Klux Klan and suggesting that he had been "a white man's president" only. The same newspaper subsequently stated that "the resentment against and hatred of whitey...is becoming more widespread".

If this bill becomes law, will discussion of the tensions between black and white, which were apparent in the above quotation, be suppressed by law? If so, will such suppression merely build up pressures that will eventually break out in real and bloody violence? We wonder if this is the real aim of Bill C-3.

If we take a close look at Canadian society today we will find many examples of groups within it that are in a state of great tension in their relationships. Events in the Middle East, for example, have bred intolerable tensions between the Canadian Jewish and Arab communities. Are such innocent participants in this struggle as writers of letters to newspaper editors, who are often carried away into intemperate expression, to be prosecuted under this proposed amendment to the Criminal Code? What about the continuing tension between the English and French language groups? Are we going to prosecute the spokesmen of the native peoples who frequently accuse the white Canadian establishment of pursuing a policy of genocide? When we look at some of the statements of one of the Indian leaders, namely Mr. Cardinal, we realize that many of them can be termed inflammatory. How would they fit into the context of this bill?

We even have great tension and disagreement growing up between one region of Canada and another. No one can deny that the West, for instance, is disenchanted to the point of talking about economic independence and even political and constitutional separation. Such a state of feeling breeds violent and intemperate words. Perhaps it is the intention of the Minister of Justice (Mr. Turner) to use this convenient amendment to jail western spokesmen who claim Ottawa is unjust and unfeeling.

There is so much afoot in our country today, so many areas of conflict, that hatred, contempt and ridicule are very easy to generate. But I do not believe for one moment that we can abate this sort of thing by piously passing an act of Parliament and then washing our hands of the situation until someone forces a prosecution against his adversary. To me, this bill is an open invitation to endless and barren legal disputes. All we are really doing is giving hatred and contention another dimension. Every group with a bone to pick with another group can now shift the battle to the legal and judicial arena. We would be far better employed in this House considering ways and means of broadening, understanding and modifying intemperate and dangerous public expression and action than in trying to legislate it under the rug.

• (4:10 p.m.)

It has been increasingly evident, and not only in Canada, that we feel we can legislate almost anything away and that legislation is the salvation of everything. If we have this much faith in legislation surely someone, the government possibly, could place legislation before the House on prosperity. A bill on that subject would be about as impractical as the one we have here. During this session we have had legislation to improve the Post Office and legislation with regard to language. Has the legislation improved the mail service? Has it improved the relationship between the language groups? I do not think it has been any more effective in these areas than it will be—

Mr. Woolliams: They are great legislators. That is all they do.

Mr. Downey: —in the area of hate. The hon. member for Vegreville (Mr. Mazankowski) mentioned a basic moral code and the ten commandments. I would add that what we need in this country is a basic pride of individualism, a basic pride in our country. This must be developed. We cannot continually downgrade our heritage, our institutions and the family unit and expect to substitute

legislation for them. We cannot make citizens merely social security numbers, entirely divorced from personal responsibility, and then expect to fill this gap with legislation.

When looking at the proposed tax reform I notice that the idea of treating the family as a taxation unit has been left out almost entirely. This is only one area that tends to bind society together. We may find that legislation in many other areas is not necessary if we can conduct our affairs in a manner to perpetuate the individual and the family unit.

In conclusion, Mr. Speaker, I should like to quote from an editorial in the *Globe and Mail* of February 26, which I mentioned earlier. It reads as follows:

> Democracy depends upon there being a public that is predominantly sane and reasonable. A public that can discuss volatile issues—that must discuss volatile issues—and find fair and reasonable solutions. If the government has lost hope that this kind of democracy can continue to exist then it has lost faith in democracy itself. No law can produce this kind of public. No law can protect minorities where this kind of public no longer exists. There will always be those in whom hate can be readily generated. There may not always be those with the strength and skill to combat hate. The way to build those strengths and skills is not with laws written in fear. It is in providing the circumstances and the opportunity in which citizens can grow to their full potential. It is in providing good education, fair standards of living and an equitable and responsive system of government. Provide these and there will be no need for a hate bill.

Mr. Steven Otto (York East): Mr. Speaker, from time to time in this House an issue arises upon which members have to make a choice in conscience. This is easier for members of the opposition than for members on this side of the House.

Mr. Woolliams: Do you want to join us?

Mr. Otto: I admire the members on this side who spoke in opposition to this bill, and I fully realize that it is a struggle to come to terms with the two issues in reality.

This debate boils down to two issues, Mr. Speaker. First, there is no doubt that this bill imposes some restriction on the freedom of speech and any amount of rationalization, any word trying to deny this, just will not be accepted. Second, the question arises whether indeed criminal law can deal with immorality. It is with these two points that I wish to deal.

When we examine freedom, we are inclined to imagine some Valhalla in which freedom is power. This country is a pioneer country where a man can stand up, speak up and be effective. Everyone can speak to himself, but to be effective speech must be listened to. Times have changed many stratas of society. In the union movement, for example, it is still possible for a member of the rank and file to say that he disagrees with the executive, but the consequences can be drastic. In many cases, he may find himself laid off rather quickly even if he has seniority. I know of many instances when opposition to the election of a slate of officers has not been effective.

When we say freedom of speech, what type of freedom do we mean? To be effective and to be listened to we must have some medium of communication. It is true that the powerful and the great have freedom. Of course, newspaper commentators who are widely read have freedom, as have television commentators. All those who have power are free but to the little fellow, the average citizen, freedom is meaningless. The whole idea of freedom of speech has changed from 100 years ago when everyone more or less had the same use of the communications media of the day. It is no longer sacred as it once was. We have to live with the facts of life, and we have to live with the restrictions on freedom of speech in corporate enterprises. We have to live with the restriction on freedom of speech in this House, where at one time members spoke as they saw fit and party politics were not as well entrenched. Today, a member does this at his own cost and it is no longer possible to say that any member of this House is free to speak according to his conscience. Freedom of speech is proscribed because there is a party structure, so there is no such thing as absolute freedom of speech, as the minister pointed out.

There is something else to be dealt with in connection with the bill. We have a new order of things in the world. Two, three or even four hundred years ago, race hatred was not too dangerous. Indeed, when nationalities and races were fairly immobile the differences did not much matter. When the Normans conquered England, and that period of history lasted for 400 years, the Anglo-Saxons hated the Normans and vice versa. When the hordes of Genghis Khan came in through south central Europe and settled in what is now Hungary and Roumania, hate existed for generations and was only solved by intermarriage and a complete merging. Consider what we have today.

• (4:20 p.m.)

McLuhan has said we live in a global village. Great numbers of people move from

country to country. Canada has experienced immigration and the United Kingdom has experienced immigration. European workers go to England each year. People are mobile; groups are mobile and therefore at this time it is much more important to make sure that identifiable groups as defined in the bill are not the subjects of hatred because the consequences of hatred would be drastic in this country. Who would ever imagine that in the United Kingdom there would be public utterances, supported by many people, directed against West Indians and East Indians. This has happened. If that can happen in a country that treasures freedom, and that has never had a history of racial tension, then it can happen elsewhere. It could happen here. It has already happened here. Large numbers of immigrants have come in who must find jobs in our labour force. They will cause resentment. So long as it is open for anyone to pinpoint a member of a group and say, "that man is dangerous; he should be hated," the country may face trouble.

Let no one think that we have no history of racial tension. Recently at a legal convention I told lawyers about a very serious piece of legislation which affected a group of people of Japanese extraction on the West coast. They were born in Canada and were Canadians. This legislation rooted them out of their homes, took away their farms and scattered them throughout the country. You know, that was not so long ago; yet one would imagine it would be impossible for Canadians to do that today. What was done was done because the people's skins were yellow. No one could say they were a threat to the country, because most of them were second and third generation Canadians. Because their skins were yellow, they were singled out. Therefore, whoever says in this House that this will never happen again in Canada should pause and consider because it may.

May I say a word about morality and the law? I agree to some extent with those who say that morality cannot be legislated. On the other hand, who is to guide the mores of this nation? Not long ago the church guided us but not many would agree that the church today exerts effective control or guidance over the mores of this nation. I think the churches are floundering under the weight of this problem and have not solved it. Prior to the Christian era mores were dictated by the military establishment. That establishment dictated what was right and wrong. Later the churches told us what was right and wrong,

[Mr. Otto.]

but they have now lost much of their control. For example, not long ago the medical profession said, "We now are the ones to decide when a person is dead." They said when the mind no longer functions, the person is dead. Never mind his heart, and it does not matter if a man breathes. But there was no mention of a soul. Clearly, it is now the medical profession that says when a man is dead or not dead, and not the church. Euthanasia is being promoted by the medical profession.

A new philosophy has not arisen in our civilization for the past 100 years. Who, then, shall control the mores of the nation if the church does not? If the government does not control them, will it be the technocrats or the professional men or others? We have a drug problem in this country and, as an hon. member who spoke yesterday said, it is not the church that will determine the rights or wrongs of drug consumption but the lawmakers. There are many other problems, moral problems, in which the church is not involved. Therefore any argument that says the law has nothing to do with morality no longer applies. Morality is now part of the law.

It has been said in this debate that it should be the social sanction of the community rather than the law which ought to dictate morality. I submit, Mr. Speaker, that the community no longer has any power of sanction in the social sense. That power does not exist. That original power of social sanction has been broken up into fragments; but we still have retained one power. That power is exerted by the awesome weight of the criminal law, which affects mores. I do not think there will be many prosecutions under this law because, as an hon. member said yesterday, the exemptions are wide enough to drive a herd of elephants through. I think he said, "Drunken elephants". The exemptions to the infractions are so wide that the bill is practically meaningless, except to this extent: children will no longer, we hope, hear their mothers, fathers, uncles or relatives say, "That person belongs to a certain race, and they all ought to be driven out of the country." When it becomes generally known that such talk is illegal, it will not be readily accepted.

Why do I say that? I say it because the criminal law is still very powerful and the awesome authority of the Crown is still something people understand. But even if there are no prosecutions under this legislation, it will still be effective. It will carry the stamp

of approval of this House. The people of this nation will know that hatred because of race, creed, colour or religion is not acceptable and that the whole authority of the nation is behind the legislation.

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I thank you for giving me the opportunity to participate briefly in the debate this afternoon. I have listened to a goodly number of speeches, every one of them expressing something significant about Bill C-3. I want to draw to the attention of the Minister of Justice (Mr. Turner) certain information, certain facts and certain concerns about this bill. As I see it, this bill is being devised as a tool of the government. It will do nothing but suppress news. The people in the press gallery will wonder whether what they report in their papers will contravene the terms of the bill. I remind you, Mr. Speaker, that away back in 1935 the notable premier of Alberta (Mr. Aberhart) introduced legislation that would have served the same purpose as this bill. The title of the bill was different, but its purpose was the same. It was designed to suppress the free expression of opinion by that media. That legislation, passed by the Alberta legislature, was ruled *ultra vires* by the Supreme Court of Canada.

I do not know what other members think of the talents of our Prime Minister (Mr. Trudeau) but I can tell you, Mr. Speaker, that he gives a great deal of consideration to any legislation, particularly of this type, that may come before this chamber. I am sure he has carefully considered the fact that if he were to bring in a bill to suppress the freedom of the press, it would indeed become involved in legal precedents established by the Supreme Court of Canada. Indeed, it would be at variance with the Bill of Rights and other legal precedents.

• (4:30 p.m.)

I noticed with interest this afternoon when mention was made of Ron Gostick, who writes for the Central Intelligence Agency, that he was lightly passed off as being of something less than a credible character. This man has written some articles which I am sure are somewhat offensive. If they were written about me, I would feel they were offensive. Articles were written dealing with the history of the Prime Minister of this country and of another individual, Jean-Louis Gagnon, who was recently appointed to a position of some stature. This government has failed to take advantage of existing laws under the Criminal Code to prevent this type of publication being circulated amongst Canadians. I simply say that even though this government may feel this man is not credible, and that attention should not be paid to him, the fact is there are defamation laws that could prevent this man from writing articles of this kind.

Those Canadians who come in contact with the CIA publications are concerned about what is being written about some of our heads of state. Why the Minister of Justice or indeed the Prime Minister does not initiate proceedings to stop this kind of publication is beyond me. I suggest that the best way to stop it is to pass Bill C-3. It would automatically bring this writer under the terms of that bill and subject him to whatever punishment the court sees fit.

Bill C-3 is not going to prevent hate propaganda. It will not stop it. It may stop the publication of it, but it is not going to stop the verbal expression of hate propaganda. This afternoon the hon. member for Red Deer (Mr. Thompson) eloquently stated that no government, bill or legislation, intended, proposed or otherwise can legislate love, tolerance and compassion. What concerns me, Mr. Speaker, is that the Prime Minister has expressed a very strong view that he would like to see this country headed into a republic, indeed, a presidency. If such is the case, this may be the first step in that direction. This bill will prevent the press from expressing a point of view that might be unacceptable to the government.

Today we are conducting the functions of Parliament somewhere between the British parliamentary system and the system of the United States. If the Prime Minister is advocating a presidency, I do not want a bill passed which will stop the newspapers from reporting his intentions. I wish to know whether we are going to have a presidency like that of the United States or a benevolent dictatorship and, if so, what kind? I do not think it is fair to ask this House to pass a bill that will attempt to do nothing more than stifle the free expression of the press, which may well expose a government that is bent on destroying democracy.

I think this is the opportune time to talk about what has happened to date. We have read viewpoints expressed in the newspapers and have heard them over the radio and on television. We hear points of view expressed every night on the program "Viewpoint" following the national news which at times are

extremely critical of the government, the opposition and indeed sometimes of this institution. I am not sure who is going to interpret the rules under which the free press of this country is going to operate. Recently, with the blessing of the Minister of Justice, the omnibus bill was passed. It has done nothing more than legalize amorality in Canada, homosexuality, indiscriminate abortions and uncontrolled divorces. Now, there is talk about legalizing pot. We are going to bankrupt the middle class of Canadians. We have set up Information Canada and now the government is introducing a hate literature bill which will prevent the press from expressing a clear point of view on all these matters. The government has taken from us the flag, our Military traditions, our respect in international affairs and has taken from the Canadian people their respect for Parliament. To date, the press has expressed a very strong point of view in this regard.

Under the guise of protecting the minority groups, I fear that Bill C-3 is designed to take from the news media that free expression of opinion. That is my main concern. I ask the Prime Minister and the Minister of Justice, who is asking for this bill to be passed? Surely, it is not the French people. It is not the English people. It cannot be the Ukrainians. It is not the Jews. I know people in every one of these social structures of life. The most interesting after dinner speakers at banquets are usually Jewish. They tell more stories about themselves and their race than any other nationality. To suggest that they are the ones who want this bill passed is complete and utter nonsense. Since I am not able to establish who is asking for this bill, I ask the Minister of Justice to give me this information. What action on the part of the Government has prompted this sort of thing? Who is asking for this kind of a measure? Is it what I alluded to earlier, the fear of the government because they have some ulterior motive in mind in so far as the free institution of Parliament is concerned in the intervening years? The only way to accomplish their objective, the prevention of the exposure of their plan, is by legislative action to bring such statements under the terms of the hate literature bill.

• (4:40 p.m.)

The Minister of Justice knows we cannot legislate compassion, that we cannot legislate tolerance of one ethnic group by another any more than we can legislate tolerance as between one church group or another or between a man and his neighbour. What will this legislation accomplish, then? I say it will prevent the free expression of opinion in print, and this is what we should be concerned about.

Mr. Philip G. Givens (York West): I did not intend to speak on this subject. I took it for granted, naïve as I am, that there would be practically no problem about getting this legislation through Parliament. I guess I was mistaken. I have sat here during the last two days, concerned about this bill, as I have been for the last several years. Although I have heard many theories propounded I must say I have never listened to so much balderdash and tommyrot in my life as I have heard on this particular subject.

It is not just a matter of whether the government can get a bill through this House. It is a matter of how all the Members of Parliament who sit here feel toward this serious and important problem. One hon. member wants to know who has asked for this legislation. I have not made a survey in nine of the provinces of Canada. But I can tell you, Mr. Speaker, that wherever I go in metropolitan Toronto hundreds of people ask me time and time again: What is happening to the hate literature bill? Why has it not been passed? Why is it taking so long? Many hon. members seem to be so concerned about the perpetrators of wrong-doing that they fail to express the slightest concern for the victims—those who feel hurt, those who believe they have a right to go to the government and say: Do something to protect us, something to remove the fear and anxiety we feel about this hate literature going through the mails.

Mr. Woolliams: Are you a victim?

Mr. Givens: Yes, I was a victim.

I heard one hon. member, the hon. member for Windsor-Walkerville (Mr. MacGuigan), talk about literature which was being sent out attacking a certain race and depicting a swastika. Somebody said: "Who does that hurt?" Well, Mr. Speaker, it would hurt you if you were a member of the particular minority group which felt the sting of the swastika and everything it symbolizes.

Everybody says it is impossible to cure bigotry and hatred by legislation, that an educational process is required. Do hon. members not understand that it is part of the educational process for Members of Parliament to stand up, once and for all, and declare that the dissemination of hatred cannot be con-

doned in this country? I cannot understand how it is possible for members of the opposition to talk the way they have been talking. The province of Ontario has enacted this kind of legislation. I have in mind the Fair Employment Practices Act which has proven to be a golden chapter in the history of this country. Its provisions with respect to anti-defamation, fair employment practices and the establishment of the Fair Employment Practices Commission have been an example to all the other provinces of Canada.

There are those who say this legislation will not work. If it won't work, what are you worried about? So, it won't work. The time has come for us to do some experimentation in connection with sociological legislation. If those engaged in the field of science and technology were as afraid to experiment, as hon. members are afraid to experiment with this kind of legislation, we would never have put a man on the moon. If this legislation won't work, what are hon. members so afraid of?

When I was mayor of Toronto I used to look forward to Sundays with dread because some kook would go down to the park with a swastika on his arm and a bunch of henchmen. Thousands would be there, one never knew what would happen, yet there was nothing we could do about it because we did not have the legislative power to deal with that kind of situation. We were told we should go to the Parliament of Canada. Now hon. members say legislation is not the solution for everything. It is true that legislation against murder does not prevent murders from being committed; legislation against rape does not save people from rape. Nevertheless we pass laws against these crimes because they constitute anti-social conduct and because decent-minded people are opposed to these practices. If hon. members are opposed to the kind of practices we have been considering in connection with hate literature, they should stand up and vote for this bill.

I say to the Minister of Justice and to all who are concerned with the operation of the law that I have always felt there was a gap in the law here. If I were to punch another member of this House on the nose and draw blood, my action would constitute a cause for laying a criminal charge; it would constitute a cause for an action in a civil court for assault. But if a person belongs to a minority group, and the kind of conduct about which we have been talking for years and years makes him anxious, fearful for his citizenship, wondering whether his children have a future in this country, he has no redress at all. I say this is wrong. In this day and age we talk a great deal about mental health and emotional disturbance, and we usually confine our attention in this field to children. Unfortunately, there are people who still feel this way when they are no longer children. They are still hurt; they are still scared. When I sat in my office in that great City Hall, people came to me, rolled up their sleeves and showed me the tattoos they had from Auschwitz. I thought they needed some protection from what has been going on. I have visited Auschwitz. I have visited the camps at Birkenau and Mydanek. It was not only Jews who were destroyed in those places. Poles, Czechoslovaks, Ukrainians were murdered by the hundreds of thousands. Let us be mindful of this. We are not dealing with Jewish legislation.

I say it will be a disgrace to Parliament and to the country if we fail to pass this bill. We have passed bills protecting homosexuals, and rightly so. We have passed laws dealing with abortion, and rightly so. We have passed laws establishing breathalyzer tests because we were concerned about the hazards created by drunken drivers. We are not asking anybody to set aside $50 million as we did with respect to the Official Languages Act which was brought in to deal—by legislation—with another problem which has arisen in this country. We are asking for no money. If racism were virulent in this country it would be too late to pass this bill. We should pass it now because racism is not rampant in Canada. Then again, if we pass this bill and it proves to be took weak, or too strong, it can always be amended. I notice that 80 per cent of the legislation going through this House constitutes amendments to bills already passed. There is nothing about this measure which would make it unalterable, like the laws of the Medes and Persians. If it has to be changed it can be changed. In the words of Franklin Roosevelt, you have nothing to fear but fear itself.

Maybe hon. members just do not want to vote for this thing. I say they should pass it as a warning by all members of the House of Commons to the bigots and spewers of hate that the Parliament of Canada does not condone this kind of anti-social behaviour.

• (4:50 p.m.)

If hon. members do condone this sort of thing, of course, then I understand how they are going to vote. But I contend that if we do

not pass this bill we will set back brotherhood in this country 100 years. All of the dinners I have attended in connection with brotherhood affairs, at which I have seen Members of Parliament, members of provincial legislatures and members of municipal governments sitting there nodding and ayeing, will stick in my throat if I continue to hear the sort of arguments that have been made at such functions and which are being re-echoed in this House.

Failure to pass the bill will set back the cause of brotherhood, the interfaith movement and the interrelationships between the various minority groups in this country 100 years. Everything we have done in the past to try to eradicate, to remedy, to ameliorate the situation in this country where there are so many minority groups, not simply two founding races, will all have been a hypocritical exercise in futility. I, therefore, plead with the members of the House of Commons, for the reasons I have indicated, please to pass Bill C-3.

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, the speech to which we have just listened is a very good indication that there is a great deal of difference of opinion between the members of this chamber. It was not my intention to make any extended remarks on the bill. However, I do think there are various aspects of the bill, and the principles that are behind the change that is suggested, that are deserving of more consideration than I think they have received.

In the first place, I think that any amendment to the Criminal Code—and I bring this particularly to the attention of the Minister of Justice (Mr. Turner)—is in itself of sufficient importance to deserve much attention. Yet I observe that there are only about half a dozen members in evidence today supporting the government, with a few more members over on this side. It appears to me that, in view of the importance of this bill, it could very properly be said that we should have a little better attendance than we have this afternoon.

The previous speaker suggested that the bill is going to remedy the various matters of which he complained. I question whether the bill would have any such result. On the other hand—

Mr. Deputy Speaker: Order, please. The Minister of Justice is rising on a point of order.

[Mr. Givens.]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I apologize to the hon. member, whom I have known for a long time, but I do not think he would want to leave the impression in the House that this debate has not been a very vigorous one, and throughout most of the time very well attended. This is the third day and perhaps interest is lagging as the debate goes on; but it has been a very well attended debate.

Mr. Flemming: Mr. Speaker, that interruption was absolutely uncalled for. I said that there were half a dozen members or thereabouts sitting on the opposite side. The minister apparently had to put something on the record to explain to anybody who reads it why there were not more of his members present. He said we have had three days of debate and the opposition kept talking for so long that they wore him out. I expect that will probably be his answer.

My concern about the bill, or part of it at least, is the threat that it poses to freedom of speech. I think it should be possible, within the limits of the truth, for people to express opinions on public platforms across the country. If their opponents suggest that those opinions are not justified, then their opponents have the opportunity to contradict them, or they have the opportunity quickly to propose an alternative opinion. Then, under out democratic system, people have the responsibility, for example in a general election, to decide which view is correct. That is the proper method and is something that we should cherish.

In my opinion, when we place on the statute books a law that might be construed as a restriction on freedom of speech, then we are dealing with a matter that is very vital to the well-being of every citizen of this country.

The previous speaker suggested that this bill would accomplish a great deal. I would question what it is going to accomplish.

Mr. Givens: It is worth trying.

Mr. Flemming: I do not think we should be experimenting. Before I go further in my rambling remarks, may I suggest that we have had some very illustrious ministers of justice. I hope my hon. friend, the present Minister of Justice, will go down in history as being among those great men; I believe he will. He has a home in my province so he has made a start in that direction as far as residence is concerned. However, neither the right hon. Mr. St. Laurent nor the hon. Mr. Lapointe found any reason to pass such a bill as this.

What has happened since the present Minister of Justice has occupied that position to bring about the need for this legislation? The hon. member who just made an eloquent speech mentioned that the Second World War ended in 1945, which is 25 years ago, so it appears nothing has happened recently to bring about the need for this particular bill.

Mr. Brewin: Would the hon. member permit a question?

Mr. Flemming: Yes.

Mr. Brewin: Has he had the advantage of reading the report of the royal commission, of which Dean Cohen was chairman and of which several distinguished members of this House, including the present Prime Minister, were members, which clearly pointed out in detail some vigorous, hateful, anti-Semitic and anti-Negro literature that was deliberately being circulated in this country? Has he had the advantage of reading the report and learning about those facts? If he has, then how does he square that with the remarks that he is now making?

Some hon. Members: Hear, hear.

Mr. Flemming: Not often do my friends opposite applaud remarks that come from the group to my left.

Mr. Loiselle: If they make good sense, we applaud.

Mr. Flemming: I should like to answer the question posed by the hon. member for Greenwood (Mr. Brewin) by saying that it is my understanding that the matters which were complained of originated largely in the United States. This bill will not affect them at all. I would ask the hon. member who has just spoken why the authorities did not do something to ban such literature from the mails? That is the way to control hate literature as far as despatching it by mail is concerned.

The hon. member for York West (Mr. Givens), for whom I have great respect, talked about the city of Toronto. I should like to tell him something about the province of New Brunswick. I have never received so many letters urging me to take the greatest amount of objection to any bill as I have to this one. The people are fearful, they are afraid. They are concerned about what this bill will do to their liberties.

Mr. Guay (St. Boniface): More than the white paper?

Mr. Flemming: The white paper affects people's pockets, but this bill affects their freedom. This may not be important to my hon. friend from St. Boniface, but it is important to a lot of other people, and, as I say, they have expressed concern.

• (5:00 p.m.)

Let us go back to the amendment to the Criminal Code. This is only my own opinion but I suggest that an amendment to the Criminal Code which involves, after all, the behaviour of individuals, should not be passed by Parliament with less than a two thirds vote. These amendments are beyond ordinary acts of government which call for opposition and criticism. These things affect the lives of every individual. I express that opinion, but I do not expect it will have a great deal of effect because the bill is still before us.

I have strong views about additions to the Criminal Code. If we were dealing with something that was already there and wanted, as my friend who has just spoken suggested, to make a minor change, that would be one thing. But in this regard we are going into a brand new realm of activity so far as the Criminal Code is concerned, so the consequences should be examined very carefully.

I should like to ask the Minister of Justice whether he will explain to this House why these additions are necessary. He has not done that as yet. Has there been any indication of hate propaganda, generally speaking, distributed in Canada in the last few years or since he became the Minister of Justice? I ask him to answer that question.

An hon. Member: Ask me.

Mr. Flemming: I will in time. Has there been in the history of Canada, and we have had many distinguished ministers of justice, any indication that there has been a demand for this sort of thing? The minister has not answered that question. Has there been anything in our history that shows that previous Ministers of Justice had such demands made on them for this sort of thing?

We have our law on libel and we have our law on defamation of character. We have various laws. I have always felt that the important thing about what people say about you is not that they say it, but whether or not it is true.

An hon. Member: Then, let us set up a defence.

Mr. Flemming: I would not say anything that would bother my friend directly opposite. He is a very nice young fellow actually, and I would not say anything against his character, you may be sure. I might differ with him as far as opinion is concerned, but I would not want to be put in jail for that. That would not be the proper thing because he has hardly grown up yet. But I was talking about ministers of justice, and we have had a lot of them. Is there anything on record to indicate that they have been concerned in the past about hate propaganda? We had the distinguished minister of justice from the province of Quebec, Mr. Lapointe. Is there anything on record that indicates this second in command under Mackenzie King for many years was concerned about hate propaganda in his province? In so far as I am concerned, the answer is no.

Did the ex-premier of Manitoba who was the minister of justice here for a good many years, the hon. Mr. Garson, leave anything on the record that suggests he was besieged by people worrying about hate propaganda? I suggest there is none at all. Did the hon. Mr. Fulton find anything of this kind when he was the Minister of Justice? Certainly there was nothing of which we know. Do we have anything on record to indicate that the Hon. Donald Fleming, who came from the city of Toronto, was worried when he was Minister of Justice about this problem? He apparently was not subjected to the same complaints the speaker before me referred to when he was the Minister of Justice. At least we heard no talk about this?

Did the hon. Mr. Favreau, when he was the Minister of Justice—he was a very fine and distinguished gentleman—find anything of this kind in so far as Quebec was concerned? We are not aware of anything. What conclusion can we come to? We can only come to the conclusion that something has happened recently that brought about this need. I do not believe the demand for this bill emanated under the present Minister of Justice.

Some hon. Members: Hear, hear.

Mr. Flemming: Will he answer the questions? We have the right to know the answers.

The only thing that makes me feel reasonably satisfied and reasonably content about this matter is the knowledge that no action can be instituted without the consent of the Attorney General. At the present time that is a safeguard in my opinion, because I have knowledge of the character of the man who occupies that position. However, I do not know who is going to occupy it a year or two years from now.

Mr. Turner (Ottawa-Carleton): It is the provincial Attorneys General.

Mr. Flemming: It is the provincial Attorneys General. Then, I take back everything I have said about being content. I am not content any more because if the Minister of Justice is not going to occupy that position he will not have anything to do with it.

On one occasion when I was in London, England, I went into Hyde Park. People were standing on boxes there criticizing everything the government was doing. They were criticizing royalty and the royal family. They were having a field day and a great time. As far as the government of the United Kingdom is concerned, this is perfectly all right and in order. We should learn something from this because that is an old, established society over there which has enjoyed Parliamentary government for a long time. Apparently the people in the United Kingdom are encouraged to get these things off their chests by talking about them. Having talked about them, they feel a lot better and perhaps do not do so much. In any event, that seems to be the general idea behind it.

Freedom of speech is one of the four things that those gentlemen decided were precious when they met off the Atlantic coast during World War II. They were the things that people fought for and in some cases died for. In view of that, I am alarmed and tremendously concerned about anything that interferes with the personal liberty of people to criticize. I expect they might even criticize me, and I certainly give them the right to do so. I also demand the right to answer. Then, I would be quite prepared to have somebody else judge which of us is correct.

I assume that we should understand from the fact that no action can be taken, that the Attorney General of a province may grant or refuse his consent. How could an Attorney General refuse consent? After a complaint is lodged he has to investigate the situation. If we look at proposed Section 267B(3) we find that there are certain ways a man can justify anything he says. What does this all add up to? According to the hon. member who spoke before me this will mean that these people will not get the advantages, benefits and improvements he has suggested.

• (5:10 p.m.)

I suggest that you cannot legislate love and you cannot eliminate hate by legislation. This is something which must come as a result of the ordinary process of tolerance and association. I had a reasonable amount of experience in a province which has different races of people. There are certainly different ethnic groups. In the business with which I am associated we found nothing of any consequence in the way of differentiation between races and people. I do not think this exists to a very great extent, at least in my part of the world.

However, I am alarmed and concerned. I propose to support the amendment of my hon. friend from Calgary North and to vote against this bill. I shall do this because I am fearful of the effect it will have on freedom of speech, one of our most cherished liberties. I have referred in this House before to a quotation from one of Shakespeare's plays, I believe Julius Caesar. One of the principals said, "How oft the sight of means to do ill deeds make deeds ill done". So, we have something here and it is said it is a great thing to have it because it will have a deterrent effect. I submit that it will not be a deterrent. The deterrence will be in respect of the person who wishes to express an opinion but is worried by a fear of the consequences.

In concluding these remarks may I say that this bill undoubtedly will pass. It is sponsored by the Minister of Justice. I wish he were not the sponsor, but he is so it will go through. I would hope he would recognize the principle that forbearance and tolerance cannot be legislated. So far as I am concerned, the difficulty and the danger in respect of this whole bill is that it may be a deterrent to individual freedom of speech and liberty.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I should like to make a few comments on this particular bill because it brings into conflict two civil rights issues, the rights of minority groups as against the right of free speech. If we support the bill, then we say that recognition of the problems of minority groups has superiority over the right of free speech at this time. What makes the situation more difficult is, as has been so well pointed out by previous speakers, that this is a bad bill. The fact is that this provision of the Criminal Code in my opinion will be quite ineffective. I accept the theory that the bill will be useless in preventing the dissemination of hatred and if it is pursued vigorously will limit the right of free speech in this country. I think it would have been far better had this bill, in its present terms, not been introduced at all. The fact is, however, that the bill has been introduced and brought before Parliament and the people of Canada for their consideration.

Last night I listened very carefully to my colleague from Hamilton West to whom the attitude in respect of this bill is very simple. Does Parliament respond sympathetically to a bill, however weak, which recognizes that minority groups have problems? To him the vote on this bill will reflect our views on the question of the protection of minority groups. In other words, the question simply is, are we for or against the rights of minorities in Canada? This is the simple manner in which I feel I must vote on this bill. This bill having been brought before us I have no alternative but to support my friend from Hamilton West. My legal training, as must his, leaves me really concerned about the limitation of free speech, the possibility of witch hunts under the provisions and aegis of this bill and so on.

This bill, as are so many others which we are now considering, in typically Liberal fashion is vague, uncertain and hard to define or enforce. We have before us in this House several similar bills. I think of the Canada Water Act as one which is meaningless in respect of any effort to enforce it. I believe this bill to be in the same category. It is a grand expression of intent and a grand expression of an ideal without any way of ever enforcing it. No specific terms of enforcement are included in it. The provision which would leave to the Attorney General the responsibility of defining at what time or under what circumstances a charge could be laid leaves the enforcement of the bill wide open. No one will be in a position at one time or another to know whether he may or may not be subject to the provisions of this bill or whether he may or may not be prosecuted. I think this bill is a tragic example of the sloppy, vague and ineffective pieces of legislation we have had placed before us. On balance, however, I think, when we vote on the bill, whether it is a good bill or a bad one, we will be expressing whether or not we have sympathy for the problems of minority groups in Canada.

I must say I am convinced that the answer of this Parliament must be in the affirmative. If this were the only bad piece of legislation we have or have had before us I might be

persuaded to vote against it. Unfortunately, time after time we are placed in the position of having to decide how we shall vote on bills which have a good expression of intent but which have nothing in them. I shall vote on this from the standpoint of an expression of intent and therefore I feel I cannot support the amendment.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I had not intended to speak at this stage of our consideration of this bill, but I think I must indicate my thinking at the present time in order to show what I intend to do in respect of the amendment and the bill. I find, along with many of my colleagues—and this has also been expressed by some members on the other side—that this bill is a compendium of good intentions and sloppy thinking. The way it is drafted means that an attempt is being made to put on the statute books a measure that potentially could be a legal monster, a sort of Frankenstein. Why? Because it has been amply demonstrated beyond a shadow of a doubt that this bill, which on the face of it can be called just law, can be used for unjust purposes. As has been pointed out by my colleagues, most of the persecutions by government that have been known have utilized laws justly passed, but the people were persecuted thereunder in their application. This bill is of that genus.

• (5:20 p.m.)

Let us take, for example, a group such as the Hutterites in my province. They are a troubled people under constraint from society. However, they are a peaceful people. But I can imagine circumstances whereby, if the populace were not as enlightened or if the government should move under the powers given to it in existing legislation on the statute books of the province of Alberta, for instance, and if the Hutterites were to take overt action in protesting against the treatment they would be getting, an attorney general could then move under the terms of the act that is presently before the House to put them down further. Then, we would say: where are the rights of minorities? Legislation inscribed by the Parliament of Canada has been used to put down the minority.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): This is not what we want. There is already in existence on the statute books legislation which achieves the main purpose of this bill. If our statute books were void of anything that would protect minorities, then I would say there may be a case for this legislation. There, I disagree with my colleague, the hon. member for Parry Sound-Muskoka (Mr. Aiken) because I do not feel a compulsion to have this legislation on the statute books. The bill before us is a sort of embellishment of laws we already have, but to me therein lies the danger. I would hate to think that those minorities which seek the protection they feel this legislation will give them should become the victims of that legislation in later years under some unscrupulous government or individual in that government.

It is for that reason—and it is a short reason—that I want to support the amendment of my colleague, the hon. member for Calgary North (Mr. Woolliams). I fully understand the position of my good friend, the hon. member for Hamilton West (Mr. Alexander). I wish I could take him for a walk.

Mr. Alexander: I wish I could take you for a walk.

Mr. Mahoney: Which of the two stays with the script?

Mr. Lambert (Edmonton West): That is a secret between the two of us. This position I can understand. But there are others who form a religious minority and there are those who are a political minority, yet why must any particular minority feel that it is aggrieved if this bill is not passed? I say that already we provide protection of minorities in this country. If we provided no such protection would our history be as it has been, and would it be different from those countries where minorities were persecuted? But minorities have not been persecuted here. The so-called documentation that was used as the foundation of some of the evidence—and some of it was pretty thin—for the Cohen report on this matter came from outside this country. I do not think that there was one iota of truth in the suggestion that the need for such legislation had its origin in this country. Why? Are we setting up an Aunt Sally? Are these to be straw men that we are legislating against? I do not think one should have to go through this process because someone suspects there might be a need for such legislation. I would say again that the inherent danger for minorities in this bill is far greater than the danger from which it purports to protect. This is all the more reason for supporting my colleague, the hon. member for Calgary North because legislation to

achieve the goal which all of us have, to protect minorities, already exists on our statute books.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Pursuant to section 11 of Standing Order 75, a recorded division on the proposed motion stands deferred.

The next motion is that of the hon. member for Greenwood (Mr. Brewin).

● (5:30 p.m.)

Mr. Andrew Brewin (Greenwood) moved:

That Bill C-3, an act to amend the Criminal Code, be amended by adding to section 267B thereof the following subsection:

If any person is charged with an offence against subsection (2) of this section, then the court may, if a breach of the subsection has been committed by the person charged or is reasonably to be anticipated, make an order in lieu of or in addition to the penalty set out in subsection (2) requiring such person to cease and desist from proceeding with or continuing or making any communication prohibited by the act and the order so made may be enforced as if it were made by the superior court of any province.

and that the following subsections of section 267B be renumbered accordingly.

He said: Mr. Speaker, on the last amendment we have had a very full and excellent debate with many high spots.

The amendment I propose is of a very different character to the one which has just been debated and dealt with. It is designed to strengthen the bill, to give greater remedies and more flexible penalties. Members who have followed this debate know that I have supported the principle and the spirit of the legislation and that in my view it is not such as to warrant the fears that have been expressed for it. The offences are defined in precise and clear language and it adds ample defences to appeal to those who may be fearful of its misapplication.

I support the bill, Mr. Speaker, but I do not feel any need to apologize for saying that it can be strengthened and improved by the amendment which I propose. This amendment deals with the appropriate remedy or penalty as applied to section 267B(2), the section which deals with the communication of statements which wilfully promote hatred. The proposal is that the penalty provided of liability to imprisonment for two years or punishment on summary conviction, in addition to which there may be a fine or a term of imprisonment, be replaced or enlarged by the right of the court dealing with the matter to make a cease and desist order; in other words, to enjoin the continuation of the offence.

Remedies are extremely important, Mr. Speaker. All sorts of legislation is rendered ineffective—and we are told this would be ineffective—because the penalty is either too severe or is inadequate. I suggest that if a person is found guilty of this offence it should be open to the courts to say, "We will not brand you as a criminal, will not send you to jail, not even fine you but will obtain from you an undertaking not to repeat the offence or, if you are unwilling to give that undertaking, we will make an order that you shall not repeat the offence." This is far more drastic and yet far more flexible and, in the end, a more effective way of dealing with this type of offence. It means that if a court comes to the conclusion that the offence was committed out of ignorance it could say, "go and sin no more". If it was committed by someone who did not realize the enormity or error of his action, he could be told to go away and not repeat the offence, without being branded as a criminal and subjected to criminal penalty.

I suggest this would remove some of the sting from the legislation for those who fear its application in too strict a sense. On the other hand, where there is deliberate propagation of material designed and calculated to arouse hatred there could be a warning that it must not be repeated. Then, if it were repeated the full power of prison for contempt should be used where there is a deliberate repetition of the offence.

In all legislatures, Mr. Speaker, it is a common practice to make laws and then forget about the extremely important matter of their enforcement. It is my submission that

the additional remedies I suggest will make for a more flexible, less rigid, more fairminded and reasonable enforcement of this legislation which I believe we are going to approve when the occasion arises.

I therefore commend this amendment to the House not because I think the legislation should be weakened but because I think it should be strengthened and I believe it would be strengthened if the courts had this power. At this stage of the debate I do not propose to go into this matter of law or argue the constitutionality of it. I do not propose to detain the House to argue on the legal implications of a cease and desist order or the proposals which I make. I merely say that this particular method of proceeding has been found suitable in provincial legislation regarding racial discrimination. Therefore, Mr. Speaker, I urge the House to support the amendment.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I commend the hon. member for Greenwood (Mr. Brewin) for his ingenuity in trying to develop ways and means to deal with offenders under this act without actually invoking the punitive sanctions. There is some precedent for this under the Restrictive Trade Practices Act and in the anti-combines legislation there is provision for it.

I should like to point out, however, why I cannot support it. We could probably use existing provisions in the Criminal Code which, with very slight alterations, could be adapted to deal with the problem he has in mind. Reading again from his own amendment:

> If any person is charged with an offence against subsection (2) of this section, then the court may, if a breach of the subsection has been committed by the person charged or is reasonably to be anticipated, make an order in lieu of or in addition to the penalty set out in subsection (2) requiring such person to cease and desist—

It is my proposition that we could make use of such sections of the Criminal Code as 717, 718 and 637, dealing with entering into a recognizance to keep the peace, which are simpler, far more expeditious and far more salutary in effect. If the conditions imposed in the recognizance were for a substantial amount it would have the benefit that those entering into recognizance for the person charged would have some pecuniary interest in insuring that there would be no repetition of the offence.

Now, I have only looked at these sections of the Criminal Code very briefly and we may well have to amend them. I do not believe in having new and unnecessary laws—we have too many already, including this. I think, however, that we can make use of existing legislation to cover the situation where an offence has been committed and in order to deter repetition of that offence some order of a court is required. It may be that we would require a recognizance of this kind to be taken before a magistrate or a county court judge, but I would prefer that to what the hon. member has proposed in his amendment. This could result in a very difficult, complex and probably more expensive procedure and for that reason I propose to vote against the amendment. In addition, there are other proceedings to cover the situation.

• (5:40 p.m.)

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I just say a few words about the amendment of the hon. member for Greenwood (Mr. Brewin). May I refer to proposed new section 267c.(1). It reads:

> A judge who is satisfied by information upon oath—

That clearly means an affidavit, and is something we should take a look at. I continue:

> —that there are reasonable grounds for believing that any publication, copies of which are kept for sale or distribution in premises within the jurisdiction of the court, is hate propaganda—

I am not so sure that the consent of the Attorney-General is required in that regard. I do not think so. I continue:

> —shall issue a warrant under his hand authorizing seizure of the copies.

Really, what will happen is this: Someone will swear out an affidavit that he has reasonable grounds for believing that whatever is in a package is hate literature, according to the formula of this bill we have been discussing for two or three days. I will not go again into arguments I raised before. This proposed section would give anyone the right to swear out an affidavit saying that he has reasonable grounds for believing that the material in the package should be seized. Of course it may turn out, as a result of a hearing, that the contents of the package do not come within the provisions of this bill. Would it not be strange if, during an election campaign, I were to swear an affidavit that the literature of the Minister of Justice, literature in a package, fell within the ambit of this Bill? Of course, anybody could swear out an affidavit

that he has reasonable grounds for believing that that kind of literature attempts to influence people.

Speaking seriously, though, this proposed section would confer tremendous powers. Almost anyone would have the right to swear to an affidavit, as a result of which material could be seized. I ask a very simple question. How are we to consider some of the books in our libraries? What about some of the books in the libraries of Canada? Is this the beginning of a new age? Is this the beginning of an age in which books will be taken out of our libraries because they may be read by speakers on a platform who would thus communicate, within the meaning of this bill, certain statements contained in those books to the people? As the hon. member for Peace River said yesterday, some of Shakespeare's plays may be affected. We need not mention their names. Somebody could swear out an affidavit saying that he has reasonable grounds for believing certain of those plays constitute hate literature.

Mr. Baldwin: Or, take Oliver Twist.

Mr. Woolliams: Yes. This provision could apply to Oliver Twist. The provisions of this bill will only enlarge the libraries of the court houses, or the number of books in the offices of court clerks. I suggest this shows how ridiculous this bill really is.

An hon. Member: It is a straw man.

Mr. Woolliams: Someone said it is a straw man. But is it not ridiculous? And it is not serious when you try to curtail free speech and free thoughts which flow from books that may be in the libraries of Canada? To carry this thought a little farther, did not dictators burn books in order to curtail free speech and free thought? When free thought and free speech disappeared, you all know what disappeared with them: the people were put in the dungeons. They disappeared. I know that the members of minorities are worked up about this bill, but I say this bill will not work in favour of minorities. It did not take Hitler very long, after he became chancellor, to burn down the Reichstag and blame the fire on the communists or tear up statutes which stood in his way and incarcerate people who were protected by them in concentration camps.

I see no difference between a concentration camp in Siberia or in Germany. This proposed section is very dangerous, and I ask all hon. members, when voting on the amendment of the hon. member, to consider particularly the wording of proposed new section 267c(2) which reads in part:

> Within seven days of the issue of the warrant, the judge shall issue a summons to the occupier of the premises requiring him to appear before the court—

Within seven days of the issue of the warrant you are to appear before the court. But, Mr. Speaker, in seven days a lot of harm can be done. That shows just how ridiculous this bill is. Not only is it ridiculous, but it is dangerous as well. We do not want a police state in Canada. Freedom will not result from it. I am glad I have taken the position I have expounded, and my conscience is easy. I respect the arguments that have been made on behalf of minority groups; I know how minority groups feel about these matters, but I am confident if they think this through they will see I am right.

Somebody in this debate used the expression "The dignity of the individual must rest on the freedom of speech." There is no dignity where there is no free speech and free thought. There is no free speech in the concentration camp, and there is no dignity. It just disappears where there is no free speech or free thought. Under this bill a man can swear out an affidavit of complaint, after which he has seven days to pick books out of Canada's libraries.

The Acting Speaker (Mr. Béchard): Shall I put the question on Motion No. 3?

Some hon. Members: Question.

The Acting Speaker (Mr. Béchard): All those in favour of this motion will please say, yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

Mr. Baldwin: One moment, Mr. Speaker.

Mr. Macdonald (Rosedale): Mr. Speaker, there have been some discussions and I think there might be general agreement to this

effect: that the division, rather than being taken at this point today, be taken tomorrow immediately after the Orders of the Day are called. I wonder if perhaps we could make a special order of the house on those terms. It would be to this effect: that the division would not be taken this evening but that the two deferred divisions be taken immediately after the Orders of the Day are called tomorrow, and that third reading should commence immediately thereafter during tomorrow's sitting. If there is general agreement to that effect, perhaps that could be made an order of the house.

The Acting Speaker (Mr. Béchard): Is that agreed?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, may I say a word with regard to the business for tomorrow? In view of the order just made and since there is some prospect of making progress with the bill tomorrow, I should like to indicate that there will be a change in business and that we will not call the budget debate as previously announced. We will call first, Bill C-3, the bill presently under discussion, to be followed by the bill respecting the International Development Research Centre amendments involving the House approval of the Senate amendments, to be followed by second reading of the bill with reference to the Canada Grains Act.

Mr. Baldwin: What is after that?

Mr. Macdonald (Rosedale): We will take the National Farm Products Act, the Standards Council bill and—

Mr. Baldwin: Six o'clock, Mr. Speaker.

At six o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, April 9, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

STATEMENT BY MINISTER ON VISITS TO PARIS AND BONN

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, members of the House may be interested in a brief report of my visits to Paris and Bonn in the past week. I went to Paris to open the new Canadian Cultural Centre there and to talk to Mr. Maurice Schumann, the French Foreign Minister, and to Bonn to return the visit paid to Canada last year by Mr. Willy Brandt, who is now the Chancellor, and to discuss matters of common interest with members of the German government.

Our new Cultural Centre in Paris will assist Canadians in France, especially students, and bring to the French people information about Canada, reflecting our bilingual and bicultural character and the many cultural strands that make up the Canadian fabric. The director of the centre is Mr. Guy Viau who was assistant director of the National Gallery here before taking up his new responsibilities. Mr. Viau is particularly well qualified for the job and I am sure that the centre, under his direction, will forge new ties between Canada and France.

The interest of the French government and the people in the new centre and in Canada as a meeting place of two great cultures was well expressed by the French government's representative at the inaugural ceremonies, Mr. Léo Hamon, who said:

[*Translation*]

What makes your country unique is the imbrication and the juxtaposition of its two cultures. This centre will fully reflect the originality and the wealth of resources of a country intent on retaining its own personality in the New World notwithstanding the size and power of its southern neighbour, which can be achieved only by preserving its diversity.

• (2:10 p.m.)

[*English*]

In Paris I met with the French Foreign Minister, Mr. Maurice Schumann. The principal subject we discussed was our bilateral relations, and the most important part for me was Mr. Schumann's categorical statement that the French government has absolutely no intention of intervening in the internal affairs of Canada. If there is no misunderstanding between us about this, and I hope there is not, our problems will be easier to deal with in the future.

I explained to Mr. Schumann what I consider to be the three basic elements on which good relations between France and Canada should rest: First, that co-operation between France and Quebec, which we regard as being of first importance, must be carried out in consultation with the Canadian government; second, that co-operation between France and Canada must be practical in nature and not confined to expressions of good will; third, that France must avoid taking positions contrary to the Canadian constitution.

As a result of this frank exchange I feel we have laid a foundation for avoiding in future some of the incidents which have in the past caused unnecessary strain and tension between us.

In Bonn my objective was to establish a better mutual understanding of our respective policies on international problems of common concern, and to prepare the way for more intensive bilateral co-operation between our two countries.

I got a first-hand account from the German Foreign Minister, Mr. Walter Scheel, of the federal government's efforts to improve relations with their eastern neighbours and to develop a more integrated community in western Europe, efforts which naturally form an overwhelming part of German preoccupations at the moment. I expressed the admiration of the Canadian government for the courage, imagination and realism of the federal government in these efforts.

The Germans expressed their appreciation for Canadian understanding and support. They also stressed the importance they attached to the maintenance of an active Canadian role in both the defence and détente

efforts of NATO. I reaffirmed the importance for Canada of our ties with Europe not only from the security point of view but also as a means of diversifying our external relations.

I discussed with several members of the German federal government ways of strengthening the functional co-operation between our two countries, particularly in the fields of science and technology, where both countries have something to contribute and something to gain from more intensive and systematic exchanges. We agreed to proceed in a pragmatic way to identify specific areas where the prospects for such exchanges are most promising. I hope it will be possible to send a mission to the German Federal Republic in the year to follow up these initiatives in greater detail.

I took the opportunity of these visits to let both the French and German governments know of the Canadian government's concerns about the repercussions of certain commercial and agricultural policies of the European Economic Community, particularly in relation to grain production and trade. Our desire is to increase consultations with the EEC on these matters so that the transatlantic co-operation to which we attach so much importance will be strengthened rather than weakened.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we all welcome the minister back from his wanderings. I hope he will excuse me if I say I was given no previous notice of his intention to make a statement, nor do I have a copy of Sharp's Travels to assist me in my comments. However, after listening to him I can readily understand why that material might not be necessary.

We are happy that the minister visited France. Anything that can be done to improve relations between this country and France, and with the other European countries he visited, will be welcomed by us. No doubt we shall have an opportunity to comment further when we have examined the minister's statement in more detail.

The only further comment I would make is that it is probably unfortunate the minister did not remain here. He might have been helpful in preventing the action of the government and the Prime Minister in throwing away, by the introduction of bills and by other statements made yesterday, the legal works built up over a great many years by every Prime Minister from Laurier to the Right Hon. Lester B. Pearson in establishing a claim to sovereignty over the Canadian Arctic. All of this was disposed of, notwithstanding the legal phraseology and the petty quibbling of the Prime Minister and the government yesterday.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, we in this party are very glad to see the Secretary of State for External Affairs back in his place. We have listened with interest to his travelogue which might be described as "Innocence Abroad". We also listened with interest to the report he has given the House. Certainly all of us share the minister's hope that our relations with France will be greatly improved as a result of his visit and as a result of the better understanding that has been developing in recent months.

I was disappointed in press reports during the minister's visit which attributed to him statements that appeared to pour cold water on a full-fledged conference between the eastern and western powers as the government of Finland has been urging. The minister appeared to follow the line that no such conference would be valuable until all the i's were dotted and all the t's had been crossed. I think there are a great many Canadians and people throughout the world who feel that such a conference would be useful, that events are moving at such a rapid pace that any delay in the holding of such conference could prevent beneficial effects flowing from it.

The minister made no mention in his statement whether or not he had any discussions with the governments of France and Germany respecting the situation in Greece. There is increasing concern in Canada about the actions of the military dictatorship in Greece. Canadians feel that being associated with this dictatorship in NATO does not strengthen the hand either of NATO or of democratic countries. If the minister did have any discussions with respect to the attitude that the NATO countries are going to take to the military régime in Greece, I hope he will make a statement. If he did not have such discussions, I trust that discussions will be opened at the earliest possible date.

The minister also mentioned some discussions about the European Economic Community. I had hoped he would be able to tell us whether or not he was able to enter into any arrangements with the government of France respecting closer adherence to the International Grains Arrangement, since France is now one of the major exporters and also one of the countries that has been selling grain considerably below the floor in

the agreement. I hope that as a result of the minister's visit and any follow-up from it we can expect better co-operation among the signatories to the International Grains Arrangement than has been evident up until now.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have only a brief comment after the statement just made by the Secretary of State for External Affairs.

I listened carefully to what he had to say about his trip and I hope the meetings he attended will enable us to improve our relations with the countries he visited. However, I am concerned about a news item heard here during his trip; the minister did not refer to it during his statement and it had to do with the negotiations aimed at recognizing Communist China.

Apparently, the minister declared in Germany that if Red China were recognized, the representatives of Taiwan in Canada would be asked to leave. I hope nothing will come out of this statement and that, if it becomes necessary to recognize Communist China, he will find a way to maintain cordial relations with the representatives of free China.

• (2:20 p.m.)

[*English*]

ORAL QUESTION PERIOD

TAXATION

WHITE PAPER ON REFORM—REQUEST FOR ANNOUNCEMENT OF CHANGES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As the presidents of our largest petroleum and iron ore companies have stated recently that if the white paper proposals become law projects worth many hundreds of millions of dollars will not be economic and will have to be discarded, and as the Minister of Finance has said he intends to make changes in the white paper before it becomes law, will the government take the very earliest possible opportunity to announce to the country what the proposed changes are before we lose these very important projects due to the uncertainty which exists today?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid I cannot give that undertaking as regards time. The undertaking has been made, and I repeat, that the white paper is for the purpose of discussion. After we have heard opinions from all sections of the community we will, of course, bring in legislation indicating the government's final opinion on all of these matters. In the meantime, beyond the commitment that we will examine all representations very seriously, I cannot make any statement at the moment as to whether we will have a second edition of the white paper. I do not, for the time being, think that that is called for.

ENERGY

DISCUSSIONS WITH U.S. GOVERNMENT ON SUBSTITUTION OF TARIFFS FOR QUOTAS ON OIL IMPORTS FROM CANADA

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Has the minister anything he can bring the House up to date on regarding discussions he has had with Labour Secretary George Shultz, the chairman of the President's task force on oil imports, delaying with the subject Mr. Shultz discussed in Montreal yesterday when he said the United States would like to discuss quota-free importation of Canadian oil into the United States market and the substitution of tariffs for quotas?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have had no particular discussions with Secretary Shultz in this regard, although earlier in the year I had discussions with Secretary of the Interior Hickel when I reiterated the Canadian position that it would be to the advantage of both countries to have an open border in regard to crude oil trade.

Mr. Hees: As Secretary Shultz has said the United States government is anxious to discuss this matter with the Canadian government, would the minister get in touch with Secretary Shultz as soon as possible to see what he has in mind?

Mr. Trudeau: With hat in hand?

Mr. Greene: Mr. Speaker, I believe as early as March of last year the President and the Prime Minister initiated discussions along these lines, and I am sure they will be followed in due time and in due course to the advantage of Canada, and particularly to that of the Canadian oil producers.

Inquiries of the Ministry

DISCUSSIONS WITH U.S. GOVERNMENT REGARDING EXCHANGE OF COMMODITIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. In view of the statement made in Montreal yesterday by Labour Secretary Shultz of the United States, may I ask the minister whether there are any discussions going on between the government of Canada and the government of the United States regarding the exchange of energy commodities and, if so, who is carrying on these discussions on behalf of the Canadian government?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I do not believe there are any specific negotiations going on at the present time with the exception of the continuing discussions between United States officials and those of our embassy staff in Washington who are working on this matter on a continuing basis.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have a further supplementary question, Mr. Speaker. If I understood the minister's answer correctly, any discussions that are going on are being conducted through our embassy in Washington. What are the terms of reference from the Canadian government to our embassy in Washington under which these discussions are being carried on?

Mr. Greene: Mr. Speaker, the broad terms of reference are as I stated them. In respect of oil it is to the mutual advantage of both Canada and the United States to have an open market in the United States for Canadian oil, and also the present restrictions are not in the best interests of either country, as we stated very strongly at the time the presidential restrictions were put on. If I read correctly the press reports of Secretary Shultz's speech yesterday, it would seem that the Canadian view is now being substantiated, at least if the views of Secretary Shultz as stated yesterday express current United States thinking.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister if the discussions which are going on between our embassy in Washington and the United States government are confined exclusively to the purchase of oil or are any other commodities involved in these discussions?

Mr. Greene: Mr. Speaker, as stated there is no particular discussion on any other commodities. It may be that preliminary discussions are taking place. Certainly there is no Canadian posture or authority to negotiate the exchange of energy or sale of energy in any other areas at the present time.

CANADIAN SOVEREIGNTY

THE ARCTIC—U.S. REACTION TO CANADIAN POLICY

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I have a question I should like to direct to the Prime Minister. Has there been an official United States government reaction to our bold, imaginative and welcome Arctic policy announced yesterday in the House?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker; I know of no official United States reaction. There was, I believe, a statement made to the press by Secretary McCloskey, but I do not have the text of his statement here.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I ask a supplementary arising from the question just asked. This matter was brought to my attention just before coming into the House and I believe it is very serious. I put the question to the Prime Minister. There is a report from the State Department of the United States and I want to find out whether it is correct. Has that country now denied Canada's rights so far as sovereignty over the Arctic waters is concerned and our sovereignty over the Northwest Passage. Is that correct?

Mr. Trudeau: Mr. Speaker, I can only repeat what I said in answer to the previous question concerning our bold and imaginative policy.

Some hon. Members: Hear, hear.

Mr. Trudeau: I have in my hand a communiqué of the Canadian Press with some very short quotations of State Department spokesman, Robert McCloskey. I do not see in here any denial of the substance of what the hon. member has just mentioned, but there may be some longer speech he made of which I do not have a copy.

Mr. Woolliams: Mr. Speaker, may I ask a supplementary question. I take it from the Prime Minister's statement that he has not been officially notified that the United States takes that position. Could I ask the Prime Minister this? Has his government taken the position that Canada has sovereignty over the

northern waters and northern islands of the Arctic? So far as Canada is concerned, have we made that clear to the United States?

Mr. Trudeau: Mr. Speaker, when I was answering the question I was referring only to the United States reaction to yesterday's bills introduced in Parliament and to my own comments. It would be wrong to say that at no time did the Americans express to us their opinion on the status of the Arctic.

Mr. Woolliams: Mr. Speaker, may I ask a further supplementary question because this is important. May I put this to the Prime Minister. Has Canada made clear its position in this regard? If the United States has any question so far as Canada's rights and sovereignty are concerned, will there be any change in reference to the voyage of the *Manhattan*?

Mr. Trudeau: Well, Mr. Speaker, I believe the Secretary of State for External Affairs and myself have made clear Canada's position on previous occasions, but now that the bills are before the House and will be discussed I am sure we will have an opportunity to elaborate on it and I hope that the opposition parties will also elaborate their positions on the Arctic.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, could the Prime Minister say, before the decision was made to opt out of the International Court of Justice and not to claim sovereignty, whether discussions were held with experts on international law and whether the decision was made to do this because of the fact that the weakness and indecision of the Prime Minister more than a year ago in not re-asserting those rights has proven to be fatal to his case?

Mr. Speaker: Order, please. The question as asked is not in order. The hon. member for York South on a supplementary.

Mr. David Lewis (York South): I think every member realizes that if the Prime Minister has not seen a statement he cannot very well comment on it. I would like to ask the Prime Minister this question: in view of the reports that the United States State Department has rejected the 12-mile limit which one of the bills tabled yesterday proposes and Canada's alleged unilateral action with regard to the Arctic, can the Prime Minister tell the House whether he can give the House an assurance that when the statements are brought to his attention more fully the House will hear from him or from any minister he designates as to this country's position on the statements made in Washington?

Mr. Trudeau: Of course the House will hear further from the government on this matter. I understand the House Leader has scheduled a debate a week from today, and we will be very happy to engage in debate with the opposition parties on this matter.

TRADE

ALLEGED DUMPING OF CANADIAN SULPHUR IN U.S. MARKET

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of Industry, Trade and Commerce. Has his department or the government been advised directly or indirectly by the United States authorities of protests against the alleged dumping of Canadian sulphur in the U.S. market? If so, what has been the stand of the Canadian government and what further steps does the minister contemplate taking to prevent any sort of unilateral price fixing for this commodity?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I can only say that I have not been informed of this and I will find out whether others have.

GRAIN

WHEAT—PUBLISHING OF ACREAGE REDUCTION PROGRAM REGULATIONS—SECOND SURVEY OF SEEDING INTENTIONS

Mr. John Burton (Regina East): My question is for the Minister without Portfolio from Saskatchewan. In view of the fact that the government has now issued a second bulletin on operation LIFT, the wheat acreage reduction program, when will the minister issue the regulations authorized by the supplementary estimate and also promised with respect to the Canadian Wheat Board Act, and will the minister make a statement on motions in the House when these regulations are available?

Hon. Otto E. Lang (Minister without Portfolio): I have not decided about a statement at the time and, of course, as indicated previously, the regulations will be issued as soon as they can be put into final form.

Mr. Burton: I have a supplementary question, Mr. Speaker. Will the government consider asking the Dominion Bureau of Statis-

tics to undertake a second survey of seeding intentions on the prairies in view of the obvious deficiencies in the first survey which was released recently?

Mr. Lang: I will give consideration to that, Mr. Speaker.

[*Later:*]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker, with respect to the minister's answer a moment ago that the regulations have not yet been produced. On what basis has the government formulated its bulletins to the farmers telling them what their rights and prerogatives are if no regulations have been formulated, and if the regulations have been formulated why has the minister not tabled them?

Mr. Lang: The bulletins, of course, are based on the proposal which the government put forward, and the details are therefore in firm form. As the hon. member will appreciate, the regulations must be examined in light of all of their implications and from the point of view of correct draftmanship.

RETAINING OF PORTION OF WHEAT MILLED FOR FARMERS' OWN USE TO REPAY CASH ADVANCES

Mr. George Muir (Lisgar): Mr. Speaker, mine is a related question directed to the Minister without Portfolio. In view of the fact that a total of 50 bushels of wheat can be delivered to local flour mills to be milled for a farmer's own use but of the amount delivered half is retained to repay the cash advance, would the minister give consideration to allowing the total deliveries to be milled for flour so that farmers with large families will not be forced to buy flour over and above that obtained from their own wheat?

Hon. Otto E. Lang (Minister without Portfolio): The fact that a portion of the wheat delivered for gristing is required for cash advances is a consequence of wording of long-standing in the cash advance legislation coupled with the fact that the wheat in question is treated as board wheat in connection with the general policy of treating wheat for human consumption at the $1.95½ price.

[Mr. Burton.]

TRADE

JAPAN—PROSPECT OF INCREASED MARKET FOR RAPESEED

Mr. S. J. Korchinski (Mackenzie): My question is directed to the Minister of Industry, Trade and Commerce even though I would like to question some of the other ministers on the same subject. As a result of the minister's visit to Japan can he tell the House whether he has information indicating to him that Japan will be a ready market for an increased amount of rapeseed in the next year, particularly in view of the fact that there will be an increase in the production of rape this year?

Some hon. Members: Oh, oh!

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): A first step has been taken by Japan in the liberalization of trade in rapeseed. We asked their minister of Agriculture to keep on the same course until the full liberalization of trade in rapeseed takes place.

TAXATION

WHITE PAPER ON REFORM—ANSWERING OF COMMUNICATIONS

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Prime Minister. Can he tell the House whether or not there has been such a large number of letters, communications and representations in connection with the white paper on tax reform that special action is being taken with a view to dealing with the backlog and providing replies to the questions that are propounded in the letters and communications?

Right Hon. P. E. Trudeau (Prime Minister): I am not quite sure whether the right hon. member is referring to correspondence directed to my office.

Mr. Diefenbaker: I am referring to letters directed to the government in general.

Mr. Trudeau: I know of no particular arrangements which have had to be made to meet the very encouraging response to the white paper.

An hon. Member: Smile when you say that.

Mr. Hees: O.K., Alice, go back to wonderland.

An hon. Member: You should have been a candidate for the Academy Awards.

Mr. Woolliams: Why don't you bite your tongue?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Trudeau: I used the word "encouraging" not necessarily in reference to the substance of these communications but in reference to their numbers.

Some hon. Members: Oh, oh!

Mr. Trudeau: I think the government has been vindicated in its belief that by proceeding by way of a white paper rather than by statute or budgetary measure we have involved many Canadians in the process of participation in government.

Mr. Diefenbaker: There is nothing like the determination that comes from despair, and the Prime Minister has revealed that in his statement. Is he not aware of the fact that a special project has been set up at a cost of $190,000 for the purpose of answering the letters received so that answers may be given to those who send in their complaints or ask questions? Is he unaware of this wholesale expenditure which is to be made for the hiring of chartered accountants and additional staff?

Mr. Trudeau: I must confess that I was unaware of it, but I will say that we do not find it a waste of money to communicate with the Canadian people on subjects which are of interest to all.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I always like to extend a helping hand and I bring to the attention of the Prime Minister the facts regarding the making of this expenditure. Because the Minister of Finance has on hand a backlog of approximately 5,000 letters, an establishment has been set up to work for the next three months, including a whole group of chartered accountants at fees up to $200 per day.

Mr. Speaker: Order, please.

Mr. Diefenbaker: Surely the Prime Minister knows what is going on.

Mr. Speaker: Order. It seems to me that was not a supplementary question but rather the conveying of information from the right hon. gentleman to the other right hon. gentleman.

Inquiries of the Ministry

EXTERNAL AFFAIRS

CALLING OF CONFERENCE ON LAW OF THE SEA

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I would like to address a question to the right hon. Prime Minister arising from the statement he made yesterday as a prelude to the introduction of Bill C-202 and Bill C-203. Has the government taken any initiative toward the calling of an international conference on the law of the sea in order that some of the inadequacies to which the Prime Minister referred in his statement may be done away with, thereby usefully extending the jurisdiction of international law to which the Prime Minister said we were anxious to adhere?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if I may be permitted to answer this question, I wish to say that when I had discussions with the United States authorities we agreed that we would work together to try to bring about an international conference as soon as possible.

Mr. Barnett: A supplementary question. Can the Secretary of State for External Affairs give the House any indication of when it may be possible for such a conference to be held?

Mr. Sharp: I will take that question as notice and see when I can answer it later.

[*Translation*]

ISRAELI-ARAB CONFLICT—MESSAGE OF SYMPATHY FOLLOWING BOMBING OF EGYPTIAN SCHOOL

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Could the minister tell the House whether he has sent a message of sympathy to the Egyptian government following the report of the bombardment of a primary school near Bahr el Bakr which killed at least 30 young children and injured more than 40?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I am sure all members of the House, as well as the government, deplore the progressive escalation of military activities in the Middle East. Incidents of the kind referred to by the hon. gentleman are particularly distressing and regrettable. If press reports are confirmed,

and so far they are just press reports, this incident will further emphasize the compelling urgency of achieving a peaceful settlement of the dispute. There have been many incidents in this war and I am almost tempted to say that if we made a protest about each one of them there would be very little more we would be doing.

[*Translation*]

INCLUSION OF MIDDLE EAST IN POLICY REVIEW

Mr. Marcel Prud'homme (Saint-Denis): I would like to ask a supplementary question, Mr. Speaker.

Could he indicate whether the review of the Canadian government foreign policy which is now going on will include the Middle East conflict?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, of course it is included in our general review of foreign policy but there will not be a specific study on the subject.

HOUSE OF COMMONS

MEMBERS' PAY AND ALLOWANCES

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I wonder if I could ask the Prime Minister a question. I would like to ask him if his government proposes amending the statute under which Members of Parliament receive their pay and allowances to allow those members who are opposed to raises in remuneration and pensions an opportunity to opt out?

Some hon. Members: Oh, oh!

Mr. Skoreyko: Mr. Speaker, I ask this question in all seriousness because I would like to reduce hypocrisy to a minimum.

Some hon. Members: Hear, hear!

Mr. Rod Thomson (Battleford-Kindersley): A supplementary question, Mr. Speaker. I wonder whether this would also apply to the income tax that we pay?

POST OFFICE

MONTREAL POSTAL DISPUTE—INQUIRY AS TO GOVERNMENT'S PLANS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. Following the failure of several ministers and one commissioner in their efforts to settle the Montreal postal dispute, can he now advise the House and the country what the government's current plans are for dealing with this long-standing problem?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the President of the Treasury Board has answered this question on previous days. I can only repeat what he has said to the House, that a final offer has been made to the local concerned and an extension, I believe to April 15, has been indicated to them for their acceptance of the government's position based on the Goldenberg report, beyond which time, of course, if the members of the local involved do not accept this very generous government offer we will have to consider other measures. But we are optimistic that they will and therefore we are not talking about any other plans.

Mr. Macquarrie: In the consideration of these other measures has the Prime Minister in mind something bold and imaginative like assigning the highly qualified Minister of Regional Economic Expansion to deal with this difficult problem?

[*Translation*]

ESTABLISHMENT OF CROWN CORPORATION

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

I should like to ask him whether in making its proposal, the government has considered the establishment of a Crown Corporation.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, that is not the point. The government proposal was made to the union. Its broad lines are known and I stated several times that it is based on Commissioner Goldenberg's recommendation. It has to do with the integration of the workers into the public service where they would find not only the security which they have never known, but where they would also receive a salary equivalent to that which they were getting previously and also have much better working conditions.

[*English*]

HEALTH AND WELFARE

WARNING STICKER ON PACKAGES OF CONTRACEPTIVE PILLS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I would like to address a question to

the Minister of National Health and Welfare. In view of the alarming statements and the great fear among women on the pill, and in view of the recommendation by the obstetrics and gynecology division of the Food and Drug Directorate at Washington that a warning sticker should be affixed to every package of pills setting out the precautions and the danger signals, is the department giving consideration to any similar proposal?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, as the hon. member may be aware, this whole matter is under study. A special committee of consultants was set up in the early part of March. They have been meeting to give expert advice to me and I expect their report some time in the early part of May. It will go into this very subject of the warnings in professional literature, whether these warnings should be on the packages, and the sufficiency of the warnings suggested. I cannot give the hon. member a more definitive answer until I get the report from that committee.

RELEASE OF PREVENTIVE MEASLES VACCINE

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, while I am on my feet may I say that yesterday the hon. member for Simcoe North asked a question about rubella vaccine, and I wish to advise him that the Food and Drug Directorate has received applications from three manufacturers to market rubella vaccine in Canada. The directorate has reviewed all research data and hopes to be in a position to issue a licence to one of the manufacturers within the next two weeks.

INDUSTRY

TIRES—CONCESSIONS TO MICHELIN COMPANY —MEETINGS WITH OTHER COMPANIES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. It concerns a question I raised with him on March 20 in which I asked him whether he was going to call together representatives of the tire industry to see if some policy could be worked out regarding the special concessions granted to the Michelin Tire Company. At that time he said he would do that. Has he convened such a meeting and, if so, what conclusions have been reached?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): This is being done now, Mr. Speaker. My department has already met with the presidents of two tire companies and the consultations will continue.

MANPOWER

LAY-OFFS BY DUNLOP CANADA LIMITED—RESPONSE BY ONTARIO MINISTERS TO TELEGRAMS FROM FEDERAL MINISTER

Mr. John Gilbert (Broadview): Mr. Speaker, I would like to direct a question to the Minister of Manpower and Immigration. Prior to the Easter recess I directed a question to him with regard to telegrams he had sent to the Ontario Minister of Labour and the Ontario Minister of Trade and Development concerning lay-offs at Dunlop Tire. Has the minister received answers to those telegrams and, if so, would he tell us the substance of the answers?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I have not received any answers to my telegrams.

POLLUTION

ARCTIC WATERS—OBSERVANCE OF REGULATIONS BY NUCLEAR SUBMARINES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Minister of Indian Affairs and Northern Development. Now that the government has claimed sovereignty over Arctic waters can the minister advise if such vessels as nuclear submarines, which frequently traverse these waters, will be required to observe anti-pollution measures and to post an anti-pollution bond?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I will refer that question to the minister. It is not his duty day in the House. I think the hon. member has read the legislation.

Mr. Baldwin: That is why I asked the question.

[*Translation*]

INDUSTRY

CANADA-UNITED STATES AUTOMOTIVE AGREEMENT—STATUS OF NEGOTIATIONS

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Could he

inform the House of the state of the negotiations between the United States and Canada with regard to the terms of the automotive agreement between the two countries?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, up to now some agreement has been reached with regard to statistics on exports and imports between the two countries. Negotiations should resume soon on the substance of the matter, that is on the Americans' wish to eliminate the "guarantees" now provided for in the automotive agreement, to which we are presently opposed.

[*English*]

POLLUTION

PRESENCE OF MERCURY IN OTTAWA RIVER

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Has the minister been in contact with the Ontario and Quebec governments this week concerning the high level of mercury in the Ottawa River?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is no, Mr. Speaker.

DRUGS

INQUIRY AS TO REPORT OF LEDAIN COMMISSION

Mr. R. N. Thompson (Red Deer): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the submission to the LeDain Commission made by the Attorney General of Prince Edward Island and also the statements made by the Prime Minister of Ontario regarding the policies of the governments of those provinces, when will the LeDain report be tabled in the House?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the government has not yet received the LeDain Commission report. I would expect it some time perhaps within the next ten days or two weeks, at which time the government will consider the matter of its disposition.

Mr. Thompson: A supplementary question, Mr. Speaker. Can the minister assure the House that full exposure will be given to the evidence which was submitted in several of these reports regarding the danger of marijuana compared with the more potent drugs?

NATURAL RESOURCES

OFFSHORE MINERAL RIGHTS—MEETINGS WITH EASTERN PROVINCES—GOVERNMENT POSITION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. Can the hon. gentleman advise when he expects the meetings on offshore mineral rights now going on with the eastern provinces to come to a conclusion? At the same time would he advise whether the federal position is one of negotiation and sharing of future revenues or of maintaining that all such revenues would be federal?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there was a meeting in Montreal on Monday of this week at the deputy minister level between the deputy minister of my department and the top officials from the departments of the five eastern provinces. The federal government's position was clearly stated by the Prime Minister more than a year ago to the effect that for the purpose of assuring uniformity and continuity the administration should be federal but that we are perfectly prepared to share revenues with the provinces in order to achieve this accord that is required to assure federal administration.

POLLUTION

PRESENCE OF MERCURY IN RED RIVER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. In view of a statement made a few days ago by his Parliamentary Secretary to the effect that there is mercury contamination in the Red River originating from sources in the United States, can the minister say whether he has yet found a way to cope with this matter?

Hon. Jack Davis (Minister of Fisheries and Forestry): Well, the frank answer would be no. The mercury is not at a high level there, but there is mercury in the Red River originating in the United States and coming into Canada.

Mr. Knowles (Winnipeg North Centre): Is the minister planning to take up this matter with the people who are responsible for it?

Mr. Davis: Mr. Speaker, the Department of External Affairs has been in contact with Washington concerning the problem of mercury pollution in our international waters.

INCREASE IN RESEARCH ACTIVITIES BY DEPARTMENT OF FISHERIES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a supplementary question to the minister similar to the one I directed to him three days ago. Inasmuch as there is increasing evidence of pollution of the nature referred to by the hon. member and since the present research budget is the same as last year's and is, we realize, totally inadequate, can the minister now say whether he is recommending to his colleagues in the government an increase in the research activities of the department in order to short-circuit much of this kind of pollution?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, Mr. Speaker.

COMPENSATION TO LAKE ERIE FISHERMEN FOR MERCURY CONTAMINATION OF FISH

Mr. H. E. Stafford (Elgin): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. The federal government in co-operation with the government of Ontario recently announced certain advances of money to be made to commercial fishermen in Lake St. Clair, Clay Lake and the Detroit and St. Clair Rivers pending settlement of claims against those who have caused mercury pollution. Would this same policy apply to fishermen in Lake Erie if they are similarly affected by mercury contamination of fish?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, the same policy would apply. We have considerable evidence now that there will be no need for us to concern ourselves about the fishermen in Lake Erie because tests of the fish there show that they are low in mercury.

TRANSPORT

GRAIN—ASSURANCE OF SUFFICIENT RAILWAY BOXCARS FOR MOVEMENT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister without Portfolio who reports to the House for the Canadian Wheat Board. In connection with the movement of grain, the Grain Transportation Committee has announced a shipping program that calls for the shipment of approximately 300 million bushels of grain in the remainder of the present crop year ending July 31. Can the minister assure the House that in fact sufficient railway rolling stock will be made available to move this amount of grain in the period prescribed?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the whole point of the work by the transportation committee was in connection with securing the co-operation of the various parties involved in handling this grain, and those assurances from those parties were indeed forthcoming.

[*Translation*]

INDUSTRY

GOLD MINING—POLICY RESPECTING GRANTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to direct a question to the Prime Minister.

In view of the recent federal government decision to withdraw the grants previously allowed to gold mines, it would seem that certain mines in Quebec will have to close down. However, as the Prime Minister has stated that only a postponement of this decision would allow mine owners to continue their operations, I would like to ask him if he is willing to discuss such postponement with the Quebec government?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this matter of grants to gold mines is the responsibility of the Minister of Energy, Mines and Resources and I believe the question should be addressed to him. However, I will take note of it and mention it to him.

[*English*]

EXTERNAL AFFAIRS

SHIPMENT OF MEDICAL SUPPLIES TO NORTH AND SOUTH VIET NAM

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. In view of the submissions by the Canadian Unitarian Medical Aid Committee to North and South Viet Nam, does the government still intend to refuse permission for the shipment of medical supplies to North Viet Nam until assurances are received that these will only be used for civilian purposes?

Inquiries of the Ministry

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I will look into the matter.

Mr. Benjamin: A supplementary question, Mr. Speaker. The minister says he will look into the question and yet he and his department have already replied to the committee that this is the case. May I ask the Prime Minister about some real hypocrisy—

Some hon. Members: Oh, oh!

Mr. Benjamin: Will the Prime Minister assure—

Mr. Speaker: Order, please. Does the hon. member wish to ask a supplementary question?

Mr. Benjamin: Yes, Mr. Speaker. May I ask the Prime Minister or the Secretary of State for External Affairs whether, in view of the government's requirement that assurances be received regarding the shipment of medical supplies to Viet Nam, the government will now request from the government of the United States assurances that any arms sold to that country will not be used in Viet Nam?

NATIONAL SECURITY

DIRECTOR OF INFORMATION CANADA—SHOWING OF CLEARANCE TO FORMER PRIME MINISTERS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, may I direct a question to the Prime Minister. Since there is no independent civilian agency on security procedures, as recommended by the royal commission, would the Prime Minister agree to show to the former prime ministers of this country the security assurances he has received with regard to the director of Information Canada?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, if this is customary I am prepared to discuss it with the former prime ministers. The assurance I have is one which was given several years ago and in effect under another prime minister when this kind of allegation was made against this same gentleman. The assurance was given then in the form of a letter by the then commissioner of the RCMP to the then prime minister. The results of the investigation at that time were that there were no reasons to doubt the reliability or the loyalty of the gentleman. If the Leader of the Opposition wants to discuss this with me, I will gladly do so.

[Mr. Benjamin.]

Mr. Nowlan: A supplementary question, Mr. Speaker. I appreciate the Prime Minister's answer. I do not raise this lightly and I do not like raising it.

An hon. Member: Not much you don't.

Mr. Nowlan: But in view of the answer—if anyone smiles at that or if there are any more epithets from across the floor of the House like there were yesterday and if the President of the Privy Council wishes to stand on his feet and say something—

Some hon. Members: Oh, oh.

Mr. Nowlan: —then I will raise a point of privilege and do what I do not want to do.

Mr. Speaker: Order, please. I am in sympathy with the point made by the hon. member. Perhaps he might ask his supplementary.

Mr. Nowlan: I appreciate that, Mr. Speaker. I am sorry I digressed. It is a paradox to me, since we are discussing the hate literature bill in this House currently, that we should experience this sort of incitement—

Mr. Speaker: Order, please. The hon. member is again digressing.

Mr. Nowlan: I appreciate the Prime Minister's answer. I gather from that answer that there has been no security clearance—perhaps that is not the proper terminology—on the appointment since the director was appointed in another capacity? Does the Prime Minister consider there is any degree of difference between the gentleman's other appointment as a B and B commissioner and his appointment as director of this new vehicle, Information Canada, which is a fairly sensitive and potentially powerful media? Because of what the Prime Minister told me today, I may not ask any more questions. I hope perhaps we can leave the matter. However, from the information the Prime Minister has received and from what the commissioner of the RCMP said with reference to a previous position which was not political and not as powerful, has he assured himself that this person is satisfactory for this present appointment?

Mr. Trudeau: Mr. Speaker, I still think the hon. member's question yesterday might more properly have been addressed privately to the Solicitor General or myself rather than draw this kind of matter to the attention of the public. However, if it will satisfy the hon. member, as a result of his questions I have

none the less asked for a further security clearance from the department concerned. I will then act as I see fit at that time. I can only repeat that a previous allegation of the same nature led to an investigation. The result was there was no reason to doubt the loyalty and reliability of the said gentleman. I have done as I said.

Mr. Speaker: Orders of the day.

Mr. Ryan: Mr. Speaker, I rise on a question of privilege. I have risen on every question, save for the first one, this day and I have not been recognized. I have a question—

Mr. Speaker: Order, please. That is not a question of privilege. Will the hon. member kindly resume his seat? The hon. member is in the same position as other hon. members who have sought the eye of the Speaker and unfortunately could not be recognized. Unless there is unanimous consent—

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. We have already gone five minutes past the time allocated.

Mr. Ryan: On a point of order, Mr. Speaker. I trust then I will be recognized at the first opportunity tomorrow.

Mr. Speaker: Order. Orders of the day.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed from Wednesday, April 8, consideration of Bill C-3, to amend the Criminal Code as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and Motion No. 2 (Mr. Woolliams) and Motion No. 3 (Mr. Brewin).

Mr. Speaker: The question was put yesterday, so the Chair will now call in the members. The question is on the following Motion No. 2, moved by Mr. Woolliams:

That Bill C-3, an act to amend the Criminal Code, be amended by striking out

Lines 26-28, both inclusive, Page 1 thereof
Lines 1-46, both inclusive, Page 2 thereof
Lines 1-44, both inclusive, Page 3 thereof
Lines 1-46, both inclusive, Page 4 thereof
Lines 1-9, both inclusive, Page 5 thereof

Division

and by adding thereto, next after Line 25 on Page 1 thereof, the following:

"(5) Where a person is convicted of an offence under this section, anything by means of or in relation to which the offence was committed, upon such conviction, may, in addition to any other punishment imposed, be ordered by the presiding magistrate or judge to be forefeited to Her Majesty in right of the province in which that person is convicted, for disposal as the Attorney General may direct."

The House divided on Motion No. 2 (Mr. Woolliams) which was negatived on the following division:

• (3:10 p.m.)

YEAS

Messrs:

Baldwin
Bell
Bigg
Cadieu (Meadow Lake)
Caouette
Comeau
Crouse
Danforth
Diefenbaker
Downey
Flemming
Gauthier
Godin
Grills
Gundlock
Hales
Harkness
Howard (Skeena)
Howe
Korchinski
Lambert (Edmonton West)
Laprise
Latulippe
Lundrigan
MacEwan
MacLean
MacRae
McCleave
McCutcheon
McIntosh
Mazankowski
Monteith
Moore
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nowlan
Paproski
Peddle
Peters
Roberts
Rynard
Saltsman
Schumacher
Skoreyko
Southam
Stewart (Marquette)
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Woolliams—50.

NAYS

Messrs:

Aiken
Alexander
Allmand
Badanai
Barnett
Barrett
Béchard
Benjamin
Blouin
Borrie
Breau
Brown
Buchanan
Burton
Caccia
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Deakon
Douglas (Nanaimo-Cowichan-The Islands)
Drury
Dubé
Duquet
Émard
Forest
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gilbert

Division

Gillespie
Givens
Goode
Gray
Greene
Guay (St. Boniface)
Haidasz
Harding
Hees
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jerome
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Laniel
La Salle
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
Loiselle
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Macquarrie
McBride
McGrath
McKinley
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marshall
Mongrain
Morison
Munro
Murphy
Noël
O'Connell
Olson
Orlikow
Otto
Ouellet
Pelletier
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Ricard
Richard
Richardson
Robinson
Rochon
Rock
Rose
Roy (Timmins)
Roy (Laval)
Ryan
Serré
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Whelan
Whicher
Whiting—135.

• (3:20 p.m.)

Mr. Speaker: I declare the motion lost.

Mr. St. Pierre: Mr. Speaker, I did not vote for or against this motion because I consider the legislation unsatisfactory in its entirety.

Mr. Speaker: The question will now be put on the motion proposed by the hon. member for Greenwood (Mr. Brewin), which is as follows:

That Bill C-3, an act to amend the Criminal Code, be amended by adding to Section 267B thereof the following subsection:

"If any person is charged with an offence against subsection (2) of this section, then the court may, if a breach of the subsection has been committed by the person charged or is reasonably to be anticipated, make an order in lieu of or in addition to the penalty set out in subsection (2) requiring such person to cease and desist from proceeding with or continuing or making any communication prohibited by the Act and the order so made may be enforced as if it were made by the superior court of any province..."

and that the following subsections of section 267B be remembered accordingly.

The House divided on Motion No. 3 (Mr. Brewin), which was negatived on the following division:

YEAS

Messrs:

Barnett
Benjamin
Burton
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Harding
Howard (Skeena)
Knowles (Winnipeg North Centre)
Lewis
MacInnis (Mrs.)
Orlikow
Peters
Rose
Saltsman
Thomson (Battleford-Kindersley)—15.

NAYS

Messrs:

Aiken
Alexander
Allmand
Badanai
Baldwin
Barrett
Béchard
Bell
Bigg
Blouin
Borrie
Breau
Brown
Buchanan
Caccia
Cadieu (Meadow Lake)
Caouette
Chrétien
Clermont
Cobbe
Comeau
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Crouse
Cullen
Cyr
Danforth
Danson
Davis
Deachman
Deakon
Diefenbaker
Downey
Drury
Dubé
Duquet
Émard
Flemming
Forest
Forget
Foster
Francis
Gauthier
Gendron
Gervais
Gibson
Gillespie
Givens
Godin
Goode
Gray
Greene
Grills
Guay (St. Boniface)
Gundlock
Haidasz
Hales
Harkness
Hees
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Jerome
Kaplan
Kierans
Korchinski
Laflamme
Laing (Vancouver South)
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Langlois
Laniel
Laprise
La Salle
Latulippe

Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
Lundrigan
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacLean
Macquarrie
MacRae
McBride
McCleave
McCutcheon
McGrath
McIntosh
McKinley
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marshall
Mazankowski
Mongrain
Monteith
Moore
Morison
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Munro
Murphy
Noël
Nowlan
O'Connell
Olson
Otto
Ouellet
Paproski
Peddle
Pelletier
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Ricard
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Rynard
Schumacher
Serré
Sharp
Skoreyko
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson (Red Deer)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Whelan
Whicher
Whiting
Woolliams—169.

• (3:30 p.m.)

Mr. Speaker: I declare the motion lost.

Hon. John N. Turner (Minister of Justice) moved that Bill C-3, to amend the Criminal Code as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, be concurred in.

Motion agreed to.

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

Some hon. Members: Now.

Mr. Speaker: Pursuant to special order made yesterday, now.

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

Mr. Diefenbaker: Mr. Speaker,—

Mr. Speaker: Order, please. I have to apologize to the right hon. gentleman but the hon. member for Winnipeg North Centre is rising on a point of order.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I wonder whether, in view of the fact that the usual Thursday announcement was not made earlier today, the House would permit the Government House Leader to indicate the business for today and the next few days before we carry on with this debate?

Some hon. Members: Oh, oh.

Mr. Macdonald (Rosedale): I thank the hon. member for his—

Mr. Speaker: Order, please. There has to be agreement. Is it agreed?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Obviously, there is not agreement. I recognize the right hon. member for Prince Albert.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I did not speak on second reading of this bill or at any time throughout the debate. I followed the various speeches whether I was present or not. I am sure that, with the exception of two or three speeches, the House has dealt with this question in a way that was responsible and objective.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I want to say that, in so far as the presentations of various members are concerned, I am going to restrict myself to the mention of one, the hon. member for Calgary North (Mr. Woolliams) who, on behalf of Her Majesty's Loyal Opposition, outlined the views of this party with clarity and distinction.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: No piece of legislation that has been before the House has given me the same concern as this bill has. I dealt with it in Toronto when B'Nai B'Rith had a dinner at which I was one of the speakers. I pointed out my opposition to this bill and outlined that opposition in general. One thing I will always treasure is the fact that, while many who were present did not agree with my views, when I concluded they gave me an

unanimous ovation. This indicates the attitude of Canadians as a whole as we view those things which from time to time require to be decided and considered by the House.

Having endeavoured throughout my life to uphold freedom and to maintain freedom both at the bar and in Parliament, I am deeply concerned that what is taking place here is another step down the slippery slope to silencing the voice of disagreement.

Some hon. Members: Hear, hear.

• (3:40 p.m.)

Mr. Diefenbaker: Through the years, judge me as you will, I have tried to stand for what I conscientiously believed in. As I look back in retrospect over the years, I trust that no one will consider me immodest when I point out that in 1922, when it was unpopular to take the stand I did, I took an appeal for French Canadian trustees against a conviction based on the teaching of French in the schools. It was an unpopular stand. It is the only reported case on this subject in the province of Saskatchewan. Of course it is one case to be remembered, because we who were counsel at the bar always remember the cases in which we were successful. During the darkest days of the war I stood alone in my party when the CCF took a strong stand in condemnation of the treatment accorded the Japanese people in British Columbia whose only offence was their colour. It was not popular to take that stand, but in the light of events it was right.

In 1945 when Gouzenko made his charges, I objected in this House against the denial of Habeas Corpus and against the substitution for the regular processes of law and of incarceration without the opportunity for the individual to get in touch with counsel. It was not a popular stand, but in the passing years I think what was said has been shown to be right. I do not have to say that I condemn and loathe the outrageous statements made about Jews, coloured people and individuals who belong to other religions. I have maintained this stand from the earliest days. The Jewish people indeed have been and are my friends. There is no one in this country who has received a greater number of honours and distinctions from the Jewish population everywhere in this country than have been conferred on me, and I say that in all humility.

Some hon. Members: Hear, hear.

[Mr. Diefenbaker.]

Mr. Diefenbaker: The hon. member for York West (Mr. Givens) indicates his agreement. Therefore it has become a trying experience, something that exercised my heart as well as my mind, to take a stand against this legislation. Sir, the statements that have been made against minorities—and the hon. member for Hamilton West (Mr. Alexander) dealt with that in eloquent terms—are repugnant to every Canadian; they are shocking to my conscience and conscientious beliefs. Racial hatred has never been an ally of mine throughout my life. It is in that spirit that I approach a discussion of this bill, which is about to become law. I may recall that in 1948 when my party came out in favour of outlawing Communism I opposed that stand. I said it was wrong. I said that law cannot outlaw ideas. It was not a popular stand to take. One has to take such stands through the year.

As I listened to my hon. friend from Hamilton West I recalled the stand I took at the Prime Ministers' conference, for which I was greatly condemned in both the years 1960 and 1961, and wrongly condemned for having forced South Africa out of the Commonwealth. I did no such thing. South Africa withdrew from the Commonwealth when it became a republic and then asked to return to the Commonwealth. I raised the question there were 12½ million blacks or coloured people in South Africa and 2½ million whites, but the blacks or coloured people had no representation in Parliament. I said that in the days of Botha and Field Marshal Smuts there were three members in a House of 160 to which Prime Minister Verwoerd replied that he would give them no such representation. I was the only white representative at the Prime Ministers' conference who took a strong stand, but when that statement was made a change came about. I said to the South African representatives you cannot, you dare not, adopt any other principle than that the minority shall have parliamentary representation and that the Commonwealth must be colour blind when nine out of ten belong to a coloured race.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: As he knows, I have great respect for the Minister of Justice (Mr. Turner). My regret is that he is the minister who had to bring this before the House of Commons. We will, I predict, look back on this day in the years to come as one that we would like to forget, just as we try to forget today our treatment of the Japanese. The

uncle of the hon. member for New Westminster (Mr. Hogarth) and I were overseas together and remained life-long friends. I remember discussing the matter with him. He said, "This thing is wrong". Sir, the passing years do not make wrong right.

I shall not become involved in a discussion of the meaning of the word "freedom". It means something to each of us. To me it means the right to be wrong, not the right to do wrong. It includes the right to say what others may object to and resent. The only freedom of speech that has any meaning at all is the one that gives me the right to say the things that run counter to the general views of people as a whole, subject of course to the limitations of libel, slander, blasphemy and sedition.

Are we to define freedom as meaning the right to express only such views as are acceptable to the overwhelming mass of the people? That is not a very valuable kind of freedom. The essence of citizenship is to be tolerant of strong and provocative words. Liberty confers duties and responsibilities, one of its duties being to be tolerant of those who express views which may offend. We often hear certain words credited to Voltaire, who never used them at any time. It was Daniel Webster who used these words:

> Though I may disagree with everything you say, I will fight to the death for your right to say it.

Mr. Justice Brandeis of the United States Supreme Court, whose nomination as a Justice was opposed because he was a Jew, uttered these words:

> If there be time to expose through discussion the falsehood and fallacies, to avert the evil by the processes of education, the remedy to be applied is more free speech, not enforced silence.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: What he said represents my philosophy of life. From time to time I quote Burke, and he is quoted even by Liberals today. He said:

> The true danger is when liberty is nibbled away for expedients and by parts.

He also said:

> The people never give up their liberties but under some delusion.

Discussion is necessary to decision. If the objective of the President of the Privy Council (Mr. Macdonald), or his apparent objective, on Monday to get this bill through quickly had been met, the Canadian people would not have had any idea of the nature of this legislation. One would almost think the contents of the bill were something about which one should not speak. One of the reasons I feel as I do is that throughout this nation today—and this has developed in the last two or three years—people are filled with fears. They do not know what is going to happen. They ask: Can we not have leadership that will raise our horizons? They fear; they wonder what is happening to pride of country and heritage.

• (3:50 p.m.)

I could deal with radio and television in this connection. If such power is given to Mr. Gagnon and to the chairman of the CRTC, that these two men could destroy the freedom of this nation.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Some might say, "not at all, because another election will come along and we can change". You cannot change what is done in this connection".

Mr. Marchand: Good.

Mr. Woolliams: Marchand says "good".

Mr. Diefenbaker: The minister is one of those architects of repression to whom I did not intend to make reference, but I can only assume that an hon. member with his reputation would not make an observation in derision. What he said when he uttered the word "good" indicated his deepest and innermost thoughts, and that is a matter of deep concern to me.

Some hon. Members: Hear, hear.

An hon. Member: He is one of the troika.

Mr. Diefenbaker: Today, the government can have anything they choose. If the government believes something is a matter of national import, it puts it over the CBC. Radio and television concerns are filled with fear in this country They are scared stiff, to use a colloquialism. Many are scared of the CRTC, and I will deal with that on another occasion. This is part and parcel of the fear that is developing among all the people of the nation about Canada's future.

Why do we have this legislation? The Minister of Regional Economic Expansion (Mr. Marchand) said "good" a minute ago. I want to point out the philosophy of this government as enunciated by him in 1968. I did not expect the privilege of an interruption from him that would make this possible. On

November 13, 1968 I raised strong objection to the fact that there were coming into Canada individuals such as Rubin and Stokely Carmichael and other revolutionary riffraff of that kind. They ridiculed the Canadian government. They condemn our institutions, but at that time the Prime Minister (Mr. Trudeau) said:

—but it is not our view there can be any danger of uprising or strife—

I emphasize the word "strife".

—as a consequence of a free discussion of ideas. It is the cause of unrest which we try to correct.

Those were the days when they spoke of this new heaven and this new earth, the just society. The Prime Minister said: "We strive to remove the causes of unrest", and with that the hon. gentleman who, a moment ago, said "good" uttered these immortal words as recorded at page 2687 of *Hansard*. Is it not strange that I just happen to have them with me? He said:

Mr. Speaker, I believe the policy of the Department of Immigration in this regard is known. I myself explained it in this House, and I believe it had also been applied previously. When someone comes here, especially when he is sponsored by a well known organization in Canada, if he only comes to start a public debate and exchange ideas, without any pronounced intention of organizing a revolution or stirring up trouble, then, in the name of the freedom of speech, we allow him across our border.

Mr. St. Pierre: Hear, hear!

Mr. Diefenbaker: The minister has one supporter. This was the philosophy of a few years ago, and today it is other than that. On February 14, 1969, when I pointed out that these people were coming in for the purpose of advocating revolution in Canada, that their work was to the detriment of our people, the Prime Minister said this:

—We cannot exclude all people because some of them might want to speak in terms of revolution.

Suddenly, the philosophy of the minister who said "good" and of the right hon. Prime Minister is now being brushed aside, and now they fear freedom of speech. I wonder to what extent their fear consists of political hopes and aspirations. During the election campaign a great deal of literature was disseminated across Canada regarding the Prime Minister. Lately, the same has been done regarding Mr. Gagnon. Mr. Speaker, if anybody wrote any of those things said of them about me I would sue him within 24 hours for criminal libel because I would know it was not true. The right is there, and yet the dissemination of these ideas continues.

[Mr. Diefenbaker.]

What is behind this legislation? I wish the President of the Privy Council (Mr. Macdonald) were here because during the election campaign he gave an explanation for this policy of repression. On June 12, 1968, he so reported as having said the following:

The people behind this hate literature are diseased—

They must be isolated, quarantined, and, if possible, cured before they destroy us and the society we live in.

That is a job for the Department of National Health and Welfare.

Then, as acting minister of justice he enunciated his philosophy across Canada as follows, that they were going to go after those citizens who were distributing hate literature; they were going to ensure that this should not continue. Look at section 267c which by its wording indicates the possibility that it will be used to stifle those who write that which the government does not like, even though their writing does not refer to a class, a race or a colour.

Some hon. Members: Shame.

• (4:00 p.m.)

Mr. Diefenbaker: In 1970 it gives the power to a judge to confiscate private property, and it presumes a person guilty unless he proves himself innocent. I ask do these circumstances give some indication of the reason for this legislation? Sir, I do not want to restress the meaning of free speech, but to me it consists in allowing others to be misguided, with the majority of people considering what is being said as wrong or evil.

What if debate had not continued beyond Monday and the bill had gone through the other day? The people of Canada would not have any idea what this legislation can be used for, while presumably passed for another purpose. Sir, one section provides that if I make a speech that is likely to create dissension on the basis of race, colour or the like, then I am guilty. That section is the greatest incentive to a person to make the speech. That is an incentive to the individual who makes the speech and to those who disagree with it to gather and object, and having objected because of the words used, the speaker then becomes liable to the penalty.

In other words the wrongdoers, these little fellows who spread their poison, will have a forum. I can imagine the attention the CBC would give to such people, parading them across the country.

A speech is made; the group of those who do not agree are in the audience and start to scream that what is being said shocks their consciences regarding race, colour or religion. Then, the proof of the intent and the commission of the offence is established. Incidentally, Sir, this legislation is almost identical in substance with one of the first laws passed in the U.S.S.R. in 1919. If you want to look it up I think you will find it in volume 16 of *Americana*.

It is strange that all of these things are happening at a time when the Supreme Court of Canada, over a period of eight, nine or ten years, has made greater advances in the interests of human freedom than in all its history. I realize that those who are in the establishment do not like the Bill of Rights. They ridicule the Bill of Rights. They opposed it over the years, and since 1960 when it became law, professors of different varieties of wisdom have condemned it. Inferior court judges have cast their eyes elsewhere.

Then came the case of Mr. Drybones. It is a beautiful name, Drybones. His case came to the Supreme Court of Canada, and what happened? The lawyers from the Department of Justice were there, and argued that the Bill of Rights had no effect. Mr. Christie, Q.C. led the argument, and he did it with power. They fought the Bill of Rights to the limit. Now, Mr. Speaker, the minister tells us that the Department of Justice has given its opinion that this legislation is constitutional. How do you expect them to be more right on this than they were in reference to the Bill of Rights which they opposed, argued against, and fought?

With respect to the decision in the Drybones case, I was particularly impressed with the fact that the two majority judges, Mr. Justice Ritchie and Mr. Justice Hall, had the support of the new Chief Justice of Canada, Mr. Justice Fauteux. If you divide your judges according to opinion as small "c" or small "l" I would have designated Mr. Justice Fauteux as a small "c" conservative, but he upheld the Bill of Rights. That judgment is a monumental one.

Some argue that the Supreme Court of Canada should develop along the lines of the United States Supreme Court and become an institution of social judgment and justice, thereby representing the changing views of the people. I hope that does not come about, although the Minister of National Health and Welfare (Mr. Munro) last Sunday on television, as he spoke to the student body of Carleton, pointed out that Canada is going towards a republican form of government. When the Minister of National Health and Welfare gets into that field, I begin to fear.

Now, Sir, I have nothing to say against the United States Supreme Court, but do Canadians want anything along the lines of what has happened there on the two nominations to that court made by the President of the United States? Not at all. There is no question in the Drybones case of there being an advance by the court into the new field of social justice. There was an interpretation of a statute, the Bill of Rights, which will never be repealed because there is no government, however grasping its power-seeking members may be, that would ever dare do so.

As I look at the Bill of Rights and read the sections dealing with the right of the individual to equality before the law, the protection of the law, freedom of speech and freedom of assembly, I think there is every reason to believe that there is a strong argument that can be advanced that freedom of speech in 1960 meant freedom to say what one would, excepting for libel, slander, sedition and blasphemy. If that be so, and that rule is the rule of interpretation as I understand it, then this legislation contravenes the Bill of Rights very directly and definitely.

Sir, I have asked for the opinion of the law officers and the minister stated that they give the same opinion that they gave previously. Well, they are the same people who gave the opinion that the Bill of Rights was an idealistic declaration of idealistic uncertainty, euphoniously worded, but completely inoperative. And they learned a lesson to the contrary by that judgment.

That brings me to discuss the next question. What is this legislation going to be used for? I have been here a long time and I have seen a lot of governments. I do know what Mackenzie King would say if he were here and saw this legislation, or what St. Laurent would say. This legislation, it can be argued, is in keeping with the times. Is it in keeping with the times to reduce freedom in order to increase freedom? There is similar legislation in the United Kingdom, brought in by a socialist government, and it does not work. I am not going to mention one or two people who are right honourables in the United Kingdom and who make the most stringent statements against people of another race and colour, but the legislation has not been used against them. It has not been used; it has not

been effective. It was pointed out, over and over again by many members of parliament in the United Kingdom that it would not work. I have here, but I do not have the time to place it before the House, a summary by the *Canadian Press* writer from London in which he concludes that it has not worked.

Now, I return to what I was saying a while ago when I was diverted by the Minister of Regional Economic Expansion. This fellow Rubin loved freedom so much that the minister and the Prime minister said in effect, "Let him come in." Let me read what he says. I will leave part of it out because it is too offensive.

• (4:10 p.m.)

We've got America on the run. We've combined youth, music, sex, drugs, and rebellion with treason —and that's a combination hard to beat—

This is the man who was allowed to enter Canada and given the red carpet treatment. This is the kind of thing he argued in universities across the country. I continue reading:

What's needed is a new generation of nuisances, a new generation of people who are freaky, crazy, irrational, sexy, angry, irreligious, childish and mad.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: And when we read of some of the receptions he received, it is obvious that there are some who qualify fully for membership in those groups. He said that we now have people who lure our youth with music, pot and LSD. Then, he used a short word I will not use; it is familiar and has become part and parcel of Rubin's speeches. Then he said, "Subvert! That's the task of every young person." The government welcomed him. When some of these fellows were barred from Canada finally, the CBC interviewed them on television from Buffalo, and transmitted their story to all parts of Canada. Is it any wonder that there is a feeling of uncertainty in this country?

I cannot deal at this stage with these proposed sections in detail, because the bill has been read the second time. But this is what Dean Walter Tarnapolsky of the Faculty of Law in the University of Windsor has to say about the proposed new section 267B:

This section in effect creates a heckler's veto—

That is something with which I was dealing. I continue:

—so that those who object to the message given him not merely silence the speaker but in effect make him subject to prosecution.

[Mr. Diefenbaker.]

I have said over and over again I have no objection to the genocide portions of the bill, although Dr. Frank Scott thinks there is no need of them at all. How many hon. members of this House have read his words? I have not always agreed with him but he was the shining, effulgent leader of the CCF, and subsequently of the NDP in the field of civil liberties. His cause had many recruits. Many have followed him. I am interested to learn when it is that that party departed from the views expressed by him. On April 29, 1969, his name was sufficient to bring about silence, because he was the spokesman of freedom. Furthermore, I doubt whether there is a lawyer across the country affiliated to the Civil Liberties League who has not condemned this legislation.

What did Professor Scott say? He said that he did not need to contend that he was as much against hate propaganda as anyone but, nevertheless, he could not subscribe to the principles inscribed in this bill. He could not consider them anything but dangerous of adoption and inclusion in our criminal law at this time. Then, he gave four reasons for his opinion. He said, first, that this bill is retrograde. It certainly is. The advances which have been made and which culminated in the Drybones case are now to be sliced away. He said, secondly, that he thought it was unnecessary; third, that it was dangerous, and fourth, using a non-legal expression, that it was old fashioned. Well, when I see the youthful minister I wonder how it is that he brings in old fashioned legislation.

Sir, Dean Scott referred to the various cases in which the concept of human rights, in a series of magnificent decisions in the Supreme Court, has been increased throughout the years. There is the Boucher case, and five or six others. He concluded by saying that he thought this legislation was dangerous.

Is there a crisis at this time? Sometimes legislation of this kind is passed in a crisis. Can you tell me, sir, that one or two loud blabbermouths are sufficiently important that to affect this country as a whole? There is less discrimination in Canada today than at any time in our history.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Why is this legislation being brought in? Sir, Dr. Daniel Hill, Director of the Ontario Commission on Human Rights, has stated that the Canadian public, because of its social stability and high stand-

ard of living, is relatively immune to extremist, anti-semitic and other hate materials. I think that is so. This is panic legislation, recommended by the Prime Minister who, over the years, was a member of the socialist party and, subsequently, a member of that committee that brought down the recommendations for it. The minister contends that it constitutes good legislation. Well, it may teach people that they ought not to preach hate but Dr. Scott said this bill will also teach them that the way you stop hate mongering is by having the police lay charges and putting men in prison. That is worse education than any good education which might flow from the bill. I will say no more.

I am deeply concerned about this legislation. Canadians everywhere are suddenly becoming aroused. The House seldom knows the amount of criticism that comes in from the people. Only today we found out that the Department of Finance has set up another force costing $190,000 to answer the letters that are coming in concerning the White Paper. But the Prime Minister did not know anything about it. People everywhere are concerned about this bill. Two world wars were fought for the freedom to speak, not the freedom to break the law.

The Prime Minister has every reason to be concerned over what has been written about him, but he can take action for criminal libel. Mr. Gagnon, the man who is actually determining Canada's future as vice-chairman of the B and B Commission which has already had $100,000 worth of sittings, must be disturbed too. He can take action for criminal libel. It does not take long. However, one statement allegedly made by Mr. Gagnon stands out. When somebody suggested that course to him he said, allegedly, "That was the mistake Alger Hiss made." Sir, we have enough law to protect us. Where there is wrong doing, let is be punished. Having said that, I repeat I am deeply conscious of the danger to our country arising from the passage of this legislation. I know many of my Jewish friends believe in it.

• (4:20 p.m.)

However, it is worthy of note that the Jewish Congress has never asked for such legislation in the United States, despite all the McCarthyism that has taken place in that nation. I cannot do anything to stop it being passed into law. I say, when turn back the clock of freedom in order to be able to punish a small minority. Does one use a Howitzer on a mosquito?

Some hon. Members: Hear, hear!

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I am opposed to almost everything in this bill except its intent. I have no quarrel with the intent. I am sure this applies equally to most, if not all, hon. members of this House. The intent is to reduce to some degree the sour pus of hatred in the body of the Canadian nation.

To do this, Bill C-3 proposes to create three new crimes. As we all know, Mr. Speaker, we cannot create new crimes without some infringement on the freedom of citizens. Therefore, it is a step which this Parliament should always be most reluctant to take. I do not think I have to labour this point. This debate is in its fourth day and members, both those who support the bill and those who oppose it, have all shown a consciousness of this value of freedom for Canadians.

Personally, Mr. Speaker, I do not believe that Bill C-3 represents a major encroachment on the freedom of Canadian citizens. I am not convinced this is a deep encroachment on the rights of citizens. I could go further and say that it is a significant infringement on freedom. If I believed this bill would result in a significant lessening of hate literature or a significant lessening of racial strife in Canada, I would support it. I would do so reluctantly, but I would support it. I am not so convinced.

It is my conviction that at best this law will not accomplish anything. It will merely be a piece of counter-propaganda put on the statute books. I am afraid that the results may be worse. I am afraid this legislation, if passed, will be welcomed by those sordid people who deal in hate literature. I think it will be a crown of thorns for them to pull down on their little pointed heads. I fear that it will cause other hate literature, more devious and vicious, to be published. I think that the residents of society's lunatic fringe are going to get an importance they do not deserve and in the process of circumventing this law, which they can surely do, they will produce a stronger poison than they are now producing.

I feel this is an attempt to legislate mankind into decency. I do not believe that is workable for reasons which I hope to make clear later in these remarks. I do not believe it is a proper function of the criminal law.

Before proceeding to do so, Mr. Speaker, I wish to speak briefly on my own limitations in participating in this debate. There is one

limitation in particular which is serious. All my life I have been a member of the majority. My skin has always been the colour of most of those around me. My features, such as they are, have the shape of the average man. My hair, nose and the slant of my eyes have always been similar to those of the majority. I have never experienced first-hand the prejudice which falls upon a person who is in the minority. However, I have made it my business to observe it as closely as I can.

I have many friends who are members of a recognized minority. I refer to the Indian people. They have experienced hatred and contempt. Although I do not have personal experience with the problems of the minority, I am conscious of them and of the fact that there are few greater tragedies for a man than to be pre-judged. This above all is the element of hatred which is so damaging. Although it is damaging to the people who use it, it is even more damaging to its victims.

This is the position of a man who, because of the colour of his skin or some other reason, is not judged as an individual, but prejudged as being a member of a group. He is placed in the position of having to prove that he is equal to the majority of citizens before being accepted. Most hon. members in this House have not experienced this first-hand. We should remember this. I wish I could believe that Bill C-3 provides a cure for that sickness, but I cannot.

I had intended to speak at some length on what I consider to be the weaknesses of this proposed law in terms of enforcement. However, having listened for more than three days to a variety of speeches on this subject, I think it has been quite thoroughly covered. There is no point in my repeating this for those members present. However, I wish to deal with one or two defences provided. In Section 267B.(2), proving truth is a complete defence. This, Mr. Speaker, is a stronger defence than we admit for men charged with libel against individuals under the criminal law.

All newsmen know that a man can be damaged desperately and absolutely unjustly by the diabolical use of truth. With a birth certificate and medical certificate you may be able to prove that the man is a lousy bastard, but under the criminal law you will be punished for doing so unless in some strange way you can prove it is in the public interest to use truth in that way. In this bill we are permitting truth as a defence to a charge of defamation of large groups of people. It will be a defence for those who peddle hatred.

• (4:30 p.m.)

What about another subclause, subclause (c) of the same clause? I shall not read it in full. The words used are "if the statements were relevant to any subject of public interest..." and so on. I have studied this. I believe it was the hon. member for York-Simcoe (Mr. Roberts) who drew attention to the point earlier. I suspect Heinrich Himmler could have defended himself under this provision for his verbal attacks on the Jewish community in Germany. However, I shall not thresh this old straw again.

I should like to turn briefly to the genocide provisions. Some hon. members may say: How can anyone in any circumstances tolerate a society in which people can defend genocide? It is my own feeling that the handful of idiots in Canada who would advocate such a course might just as well reveal their idiocy to anyone who wants to examine it. Their influence is so small as to be immeasurable. But let us assume, for the sake of argument, that some promoters of genocide do attain a degree of public acceptance and do begin to make some headway in this country. I consider this unlikely, almost to the point of impossibility, but we are assuming this for a moment. It is my contention that there is provision in the law as it stands to deal with such a situation. I refer to a case which has been cited several times in the course of this debate, the case of Boucher *v.* The King, 1949-50. I am reading an excerpt from page 39 of the report of the Special Committee on Hate Propaganda in Canada. The last paragraph reads:

> On this interpretation of the Boucher case, classes of Her Majesty's subjects may be adequately protected as groups, under the existing Canadian law of seditious libel, from violence or threats of violence against them, whether or not the violence is directed primarily against them. But on any interpretation the protection to groups extends only to situations where the prosecution can prove that violence was intended.

Of course, Mr. Speaker, no one can advocate genocide without advocating violence. Genocide is violence.

Elsewhere in the Criminal Code, for instance, among the seditious libel sections, provision is made for criminal actions to be brought against people who endanger the structure of our society by the incitement of hatred and violence. Bill C-3 would go further. It would seek—in my view, ineffectively—to silence the lunatic fringe without necessarily requiring evidence that their words were endangering the peace and good

order of the state. This, I maintain, is an attempt to use the criminal law to improve men's morals. I am not convinced that the criminal law can be effectively used in this way. I am not convinced that the law can be used to educate people. I am aware that the Minister of Justice (Mr. Turner) does not agree. On Monday he told the House he feels the criminal law has a role as an educative force in Canada. I respect the Minister of Justice. I respect his integrity and his intelligence; I also respect his opinions. But in this case he and I have an honest difference of opinion.

Some of us were amused to hear the hon. member for Calgary North (Mr. Woolliams) go into a peroration about dissension in the ranks of the government party which was going to drive the government out of office. What a high, faint cry that was from a defeated party anxiously grasping at any straw by which it might conceivably gain power. It is doubtful whether they would have a clear notion of what to do with power if they did get it. In the unlikely event that this bill is defeated, I would expect the government to promptly set down a motion of confidence; the hon. member for Calgary-North would then see very clearly where the members of the government party place their confidence and where they do not. But I disagree with the government on this piece of legislation.

In closing I should like to quote briefly from two articles on the subject. The first is part of a brief prepared by the British Columbia Civil Liberties Association. It is a very long brief but my quotation will not be extensive:

> Reasonable though such suggestions may sound it should be remembered that while a politically free self-governing people can rightly authorize its governmental tribunals and agents to do many things in its name, including of course the prohibition of many acts deemed harmful, it can never rightly authorize its governmental tribunals and agents to serve as censor or screen for the citizens' minds. To authorize that, even in one area, thereby diminishes the people's self-governing capacity and renders them less fit for their civic role. Any such authorization, moreover, provides the principle and the precedent by which the procedure may be extended in order to suppress other expressions of hatred, not only "hate", ideas.
>
> To the degree politically free people abdicate their sovereign, collective right to determine for themselves which ideas they shall hear or read, which proposed policies they shall accept or reject, which doctrines they shall advocate or deny —to that degree they have hedged their democratic commitment, giving evidence thereby of a failure of nerve.

I shall read, now, from another paper on this subject. This was contained in Chitty's Law Journal, Volume 18 No. 1. of January 1970 and the author is H. W. Arthurs, Assistant Dean of Law at Osgoode Hall. Incidentally, in his article Mr. Arthurs describes himself as a member of an identifiable minority group. He was speaking of the earlier bill; the bill has been amended since, but I doubt whether Mr. Arthurs opinions on it have changed. As appears on page 4, he says:

> "If this bill is enacted, the general community reaction will be "now there is a law, and the business of combating hate propaganda is the job of policemen and magistrates". Not so. The job of combating hate propaganda is, and always must be, the job of every citizen. To enact a law is to invite the citizen to slough off his responsibilities, to hand over to his paid servants the moral burden which is his alone. I would prefer to see individual citizens —from the highest to the lowest—constantly confront and shout down the hatemonger and the bigot, rather than permit them to bask in the illusion that the forces of law and order, by prosecuting a few sad individuals, have obliterated prejudice.

In closing, I intend to say something which may surprise some hon. members. I should be delighted to find that my opinions with regard to this bill are wrong. I expect that the bill will pass. If it does, I devoutly hope that it will serve a worthy purpose by reducing the flow of hate literature in Canada and reducing the level of hatred in Canada, slight though it may be. But such is not my expectation and I shall therefore vote against this measure. I thank all hon. members for their attention.

Some hon. Members: Hear, hear.

Mr. David Lewis (York South): Mr. Speaker, this bill has been the occasion for some speeches of a very high calibre on both sides of the subject. It has led to declarations of continuing faith in the democratic process and in the freedoms which are basic to that process. I have been particularly pleased, indeed, elated, by the fact that all hon. members who have spoken, whatever their side, have recognized the sincerity of all other hon. members and have contributed on the assumption that every one of us is as concerned about basic freedoms as is every other member. This attitude has led to the discussion of the merits of the enactment of this legislation free from the usual tangents which often affect us in debate.

• (4:40 p.m.)

I was therefore rather disappointed once or twice this afternoon when references of a

political party character were made and accusations or innuendos expressed to the effect that the bill is before the House for political reasons—for the defence of the Prime Minister (Mr. Trudeau), of some other minister, or something of that sort.

I am in favour of the bill. I have expressed my support of it on a number of occasions, but because of the very attractive speech delivered by the right hon. member for Prince Albert (Mr. Diefenbaker) I beg the indulgence of members of the House to express once again my reasons for supporting the bill.

As a matter of fact, the right hon. member for Prince Albert himself gave us the reason the bill is of value. In defining what freedom means to him, he said—I think I am quoting him correctly, if not word for word—that "it means to me the right to be wrong and not to do wrong". May I say in passing that, like all of us in this House, the right hon. gentleman from Prince Albert uses his right to be wrong quite often.

It is precisely because freedom means the right to be wrong, and not the right to do wrong, that it forms the basis, at least as far as I am concerned, of the bill that is now before the House. It draws a distinction between the two. A lot of words have been used in this House about attempting to legislate hatred out of people, to legislate evil out of people, and so on. No one has suggested the bill is designed to do that. Those who say that we who support this kind of legislation are thinking that the kingdom of heaven will be on earth the moment this legislation passes take us to be much more naïve than we are.

No legislation will legislate evil or hatred out of the hearts and minds of those who have it. Indeed, I venture to suggest—I hope I do not sound too pessimistic—that so long as human organization continues to exist there will be prejudice, and that on occasion that prejudice will be turned into hatred in the hearts of some people. It is an historical and sociological fact that the majority in a society feels uncomfortable in the presence of a minority. It is an historical and sociological fact that a foreign element in a situation creates discomfort around it.

In every era in society there has been prejudice and hatred which has been based on religion, on colour, on race. I think it would be almost naïvely impertinent to think that we could ever eradicate the presence of prejudice and hatred by one group of another or by one person of another, and no one is attempting to do this.

What society has progressed in doing—and Canada is one of the best societies in this regard—is in persuading people in society, in legislating laws in society, which seek to limit the spread of both prejudice and hatred. This, in my opinion, is the very modest purpose that the bill seeks to serve. It does not seek to eradicate hatred or prejudice but seeks, both through the executive power of the law and through the educative power of the law, to limit to some extent the spread of hatred and prejudice.

No one in this House has greater regard for the civil liberties fences erected by the right hon. member for Prince Albert. But I say to him that his definition of freedom and the kind of—I was going to say self-righteous but perhaps that would be unfair to him—the kind of possessive way in which he talked about freedom, does not impress me very much. He was good enough to say when he left the chamber that he would be back when I was speaking. I do not blame him for not coming back; I just regret having to say this in his absence.

The southern racists in the United States believe that freedom gives them the right to have white children educated in one school and black children educated in another school. That is their definition of freedom. If the law did not intervene, they would exercise that "freedom" and continue to segregate the white from the black.

Take the case of the landlord in Ontario who says of his property: "My freedom in this society gives me the right to decide whether or not I am going to rent my property to one person or another. I do not intend to rent it to a Jew or to a Negro. If you pass a law which forces me to rent it to a Jew or to a Negro, you are interfering with my freedom", says this dark ages landlord.

The right hon. gentleman spoke a great deal about freedom and then patted himself on the back for wanting to keep Jerry Rubin out of Canada because he wished to come to this country to make speeches of which the right hon. member disapproves. The history of society is full of definitions of freedom, and they are used to serve whatever purpose people in society want them to serve. Appeals to freedom are as numerous, and frequently are as spurious, as quotations from the scripture that are used to satisfy and justify all kinds of acts.

What we are discussing here is not the question of freedom in any meaningful sense of the word. I have never known a piece of legislation that has been so misrepresented across the country as has this piece of legislation. I do not often get home early enough to listen to the program "Viewpoint" after the eleven o'clock television news, but I did happen to watch it last night. I heard an editor of the *Globe and Mail*, a man I do not know but who I am sure is a fine Canadian, and who I am told was, before he became an editor, a member of the cloth, I think a minister of the United Church of Canada.

Mr. Knowles (Winnipeg North Centre): Don't hold that against him.

Mr. Lewis: I don't hold anything against him except what he said. That gentleman, with the smug omniscience that a combination of minister and editorial writer makes possible said to the people of Canada: "You know, Pierre Burton is saying bad things about the members of Jehovah's Witnesses who will not permit their children to have blood transfusions. He can do that now with impunity, but one month from now he will be in jail if he says this".

I say to this editorial writer for the *Globe and Mail* that he does not know what he is talking about. He has not read the bill. He is indulging in hyperbole, in distortion, in misrepresentation, and he is not serving the people of Canada in any sense of the word. What kind of nonsense is this! Where in this bill is there this kind of prohibition?

Mr. Knowles (Winnipeg North Centre): It provides the very opposite.

Mr. Lewis: The bill provides, first of all, that in order to be convicted or to stand a chance of being convicted under the terms of this bill the Crown has to prove that the statements complained of are made in public; that they are calculated to promote hatred of an identifiable group; that the intention of the person making the statements is to promote and evoke hatred of an identifiable group, a minority in our society.

• (4:50 p.m.)

Then, it provides the defence that any decent discussion on a religious subject is a defence against any charge under this bill. So, there is no such possibility of Pierre Berton being in trouble for saying this, at least. I do not know what else Pierre may be in trouble about, but at least in this case he has nothing to worry about.

The same thing has happened in this House. It is easy to say this is terrible legislation and it will prevent this and that, but the fact is that these statements are incorrect, they are not true. They make a mockery of plain English when they are presented to this House and the people of Canada.

The right hon. gentleman from Prince Albert indulges in his usual attractive hyperbole when he reminds this House that a similar law was passed by the U.S.S.R. in 1919, I do not know, maybe it was; I have not the slightest notion. However, he does not tell this House what every member who has read the special report on hate propaganda knows now, that this law was passed by the United Kingdom, by Norway, Sweden, Denmark, France and Switzerland, indeed by every democracy in Europe which does not take second place to the democratic declarations of the right hon. gentleman from Prince Albert or to the democratic declarations of the Prime Minister (Mr. Trudeau) or anyone else in this House or in this country. Is it suggested that the people in all these countries in western Europe have not got as much regard for freedom and democratic rights as we have? What really is the sense and the purpose of a leading member of the Canadian community and in this House trying to besmirch and smear this legislation by reference to some law in a Communist country in 1919? What is the purpose of it, Mr. Speaker? Is that the way this kind of debate should be carried on? Is that the way to place this matter before the House and the people of Canada?

I have in my hand a copy of the relevant sections of the Race Relations Act of 1965 of the United Kingdom passed by the House of Commons, if my memory serves me correctly, with the approval and support in principle of the Conservative opposition at the time as well as the Labour government, and passed by the House of Lords which still has a majority, or at least a very large number of Conservatives in it. It reads:

> A person shall be guilty of an offence under this section if, with intent to stir up hatred against any section of the public in Great Britain distinguished by colour, race, or ethnic or national origins—
>
> (a) he publishes or distributes written matter which is threatening, abusive or insulting; or
>
> (b) he uses in any public place or at any public meeting words which are threatening, abusive or insulting, being matter or words likely to stir up hatred against that section on grounds of colour, race, or ethnic or national origins.

In substance this is precisely the kind of legislation that is now before this House,

passed by the mother of parliaments to which the right hon. gentleman from Prince Albert pays the greatest respect and attention, headed by the monarch to whom the right hon. gentleman from Prince Albert pays the homage which the monarch obviously deserves. This is the parliament that passed the kind of legislation which is now before the House, and I think it is a little less than fair and a little less than the fairness of which the right hon. gentleman is usually capable to refer to this legislation as being compared with legislation in the Soviet Union. The fact is, as I have said, all other democratic countries in western Europe have passed similar legislation.

What is this bill all about, Mr. Speaker? Perhaps we ought to spend a minute on that in view of some of the statements I have heard—

Mr. Turner (Ottawa-Carleton): Or read.

Mr. Lewis: —or read. What is this bill about? It prohibits the spread, or the advocacy or promotion of genocide. I do not expect that section of this bill will ever have to be used in Canada although, as I shall say in a moment, one can never be certain. But, we undertook an international obligation to put this kind of thing into legislation. As a country we solemnly signed and ratified an international convention on genocide passed by the United Nations, and undertook in that convention to pass this kind of legislation. This section is no more than the fulfilment of our international obligations.

As I said the other day on another subject, the cynical disregard for international obligations is the curse of humanity today, and if we take one small mincing step in fulfilling an obligation under an international convention, then I cannot understand any member of this House questioning this.

The second offence is, and forgive me for reading some of the actual words, because they have been so misrepresented:

> Every one who, by communicating statements in any public place, incites hatred against any identifiable group where such incitement is likely to lead to a breach of the peace, is guilty of—

Is anyone suggesting that it is improper to put into the Criminal Code a prohibition against the incitement of hatred that leads to a breach of the peace? Is there anyone here who suggests that there is something wrong in that or that there is an interference with freedom of speech when the Parliament of Canada prohibits this kind of behaviour?

If you will permit me as a lawyer, Mr. Speaker, let me indicate to you how false have been the editorials in certain papers and some of the speeches in trying to interpret this. A prosecuting attorney on a charge under this section will not have an easy time. He has to prove first that the statement was communicated in a public place, that the statement incited hatred and that the statement incited such hatred that is likely to lead to a breach of the peace. There are safeguards right in there, I suggest to you. That is not an interference with freedom in any meaningful sense. That is a provision and a necessary addition to the Criminal Code.

I think perhaps at this point I should call it five o'clock. I will have to continue in the evening.

Some hon. Members: Hear, hear.

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. It being five o'clock, the House will now proceed to the consideration of private members business as listed on today's order paper, namely, private bills, notices of motions (papers) and public bills.

[*English*]

PRIVATE BILLS

BRUNNER CORPORATION (CANADA) LIMITED

Mr. Philip G. Givens (York West) moved that Bill S-18, respecting Brunner Corporation (Canada) Limited, be read the second time and referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders.

He said: Mr. Speaker, in addressing myself to the second reading of this bill, I want to make it amply clear to the House that I am not connected with this company either directly or indirectly as an officer or shareholder. My name is attached to this bill simply because I was visited by the president and another official of the company which has a branch plant in my constituency. They asked me to be the sponsor of this bill as a result of representations they made to me.

I do not know how much detail hon. members of the House would like me to go into on this subject, but the sole purpose of the bill is to revive the charter of the company. What happened was that during the period between August 8, 1956 and June 6, 1968 there was a comptroller or official of this company whose responsibility it was to make the annual returns, including tax returns, for the compa-

ny. He had a psychological block about bureaucracy and governmental returns. He just did not make them. Even though there were reminders from the government under Section 125 of the Canada Corporations Act, he failed to make the returns and as a result the charter lapsed. Therefore, the company was placed in this very invidious position.

• (5:00 p.m.)

The purpose of this bill is merely to restore the charter to the company, so that the company may be returned to the position it was in prior to the difficulty in respect of the filing of these returns. The tax obligations and liabilities of this company would remain as before. There are no privileges to be granted to the company. The company could make application for a new charter, but the difficulty and expense involved in doing so would probably result, in so far as the branch plant in my constituency is concerned, in the company going out of business. I, therefore, pray that the House entertain this bill and pass it for the reasons I have indicated.

Mr. Benjamin: Mr. Speaker, would the hon. member permit a question?

Mr. Givens: Certainly.

Mr. Benjamin: Could the hon. member tell us whether the comptroller has been fired or whether the company has the same comptroller.

Mr. Givens: He has become as functus as the charter. He is no longer with the company.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, this is another example of the type of bill which I think the government is very foolish in pushing to this level. I accept the explanation given because it sounds illogically logical and, of course, the company would have been put to a great deal of expense to obtain a new charter. I have been involved in considerable discussion in respect of other bills concerning companies which were placed in this position. It was my understanding that the department would take a look at the situation to determine whether the companies involved were interested in maintaining their charter. Such action would make this type of operation unnecessary. There is an expenditure involved here of a considerable amount of money. I do not think this should be necessary. I think the companies branch should have to give a good explanation, because this would seem to be an exercise in futility.

As I remember the last such episode, the instructions given to the branch were that the company would be contacted to determine whether or not it wished to retain its charter. If the company did wish to retain its charter, then a penalty or whatever action was necessary could be applied. In this way the situation could be handled through the normal administrative procedures necessary for reinstatement. It seems to me that by following the procedure we have here we are putting many people, including the hon. member for York West (Mr. Givens) in a difficult position. The hon. member has already pointed out the position in which he has been put.

In my opinion, when this bill is discussed before the Standing Committee on Miscellaneous Private Bills and Standing Orders, the officials of the department should be asked to give a pretty good reason for having taken this particular step. I do not believe this procedure is a desirable one. I would think that there should be an alternative administrative procedure which should be adhered to by officials of the department.

Motion agreed to, bill read the second time and referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders.

PRIVATE MEMBERS' MOTIONS

LABOUR CONDITIONS

REQUEST FOR COPY OF LABOUR DEPARTMENT'S REVIEW OF MINIMUM WAGE

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That an Order of the House do issue for a copy of the Department of Labour's review of the minimum wage and its effect on the Canadian economy referred to by the Minister of Labour on November 3, 1969, as recorded in *Hansard* at page 402.

He said: Mr. Speaker, as will be clear from the terms of the motion which has just been read—and if I am speaking slowly it is to give the parliamentary secretary, who has just come in, time to catch his breath—it is moved because on November 3, 1969, as recorded at page 402 of *Hansard*, the Minister of Labour (Mr. Mackasey) gave us a piece of information that was quite interesting. He was answering one of many questions put to him about the possibility of raising the minimum wage as set out in the Canada Labour (Standards) Code. He said this:

The department is now concluding a departmental review of the minimum wage and its effect on the

Canadian economy and, particularly, its effect on programs financed jointly by the provinces and the federal government.

Mr. Speaker, in this age of participatory democracy, Information Canada, public involvement in the decision-making process and all these other things, it seems to me it is a most reasonable request for us to ask that this review, which the Department of Labour has made, be made public. Obviously this is not a document which sets out a policy or any secrets the government may have. We are told it is a review of the minimum wage and the effect of the minimum wage on the Canadian economy. Frankly, we would be much happier if instead of having a review, a white paper, or a document of this kind, we could have a bill amending the appropriate legislation, but as these things take time I ask why we should not be taken into the confidence of the government concerning what it has learned in this study.

Only today during the question period the Prime Minister (Mr. Trudeau) took some credit for the government's policy of issuing a white paper on taxation. The Prime Minister went so far as to say the government was encouraged not necessarily by the substance of the replies it is receiving but by the fact that the people of Canada like to become involved in the decision-making process.

• (5:10 p.m.)

If that is the motto of this government, why not practice it? I suppose that there are times when we ask for certain documents that may have some confidential element in them, and hence there may be times when the government's refusal to acquiesce in a request that we make has some merit. Surely, that does not apply in this case. What we have here is a study of the minimum wage and the effect it has on our economy. Public money has been spent in conducting this study. Presumably it has been reduced to some kind of writing. I think that we ought to have it, and that is why I put this motion on the order paper. When it was called on November 26, 1969, the government asked me to withdraw it. That, of course, is just a way of provoking one to transfer it for debate.

It is not my intention now to indulge in lengthy debate or to divide the House on this as though it were the biggest issue that ever hit Parliament, but it does seem to me that my request, even though I make it in a low Key, is one that ought to be met. Surely, if there is something to the idea that we should know what is going on, here is a case in point. This whole business of how much government information is made available to the public has been put many times in a simple statement, namely that we should move from the era in which the government gave out nothing unless it absolutely had to, into an era in which the government should give out everything except something that it must absolutely keep secret.

I am told that there are members in the cabinet who argue for the latter position and argue for it very strongly. There are members in the cabinet who try to get the government to adopt the position, under which the people of Canada would be entitled to have every bit of information which the government has, unless there is something for which there are good, sound reasons for maintaining secrecy. I do not see how any reason, good, sound or otherwise, can be advanced for keeping this review secret. I hope now that the Parliamentary Secretary to the Minister of Labour (Mr. McNulty) has caught his breath he will be able to rise and say that the decision has now been made to grant this motion. Having done so, we can rise and call it a good afternoon.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): I know the hon. member for Winnipeg North Centre (Mr. Knowles) has been around this chamber for quite a few decades and I am quite sure he is expecting to hear what I am going to say. This motion refers to the Department of Labour review of the minimum wage and its effect on the Canadian economy referred to by the Minister of Labour (Mr. Mackasey) on November 3, 1969 as recorded in *Hansard* at page 402. As I mentioned last November 26, 1969, a study was prepared as a confidential internal working paper for the use of members of the Department of Labour, and I would again respectfully ask the hon. member to withdraw his motion.

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

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

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

Mr. Deputy Speaker: The motion is negatived on division.

Motion (Mr. Knowles, Winnipeg North Centre) negatived.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I believe there would be general agreement to calling it six o'clock.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock, I do now leave the Chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) for the third reading of Bill C-3, to amend the Criminal Code.

Mr. David Lewis (York South): Mr. Speaker, at five o'clock I was dealing with some of the clauses of the bill in an attempt to point out that the purport and effect of the bill, no doubt in good faith, have been widely misrepresented outside the House and to some extent, in my opinion, by some hon. members in the House. I had finished dealing with the second offence created in the bill, and now I want to say a word about the third offence and ask hon. members who feel uneasy about the bill whether their uneasiness is really justified.

In effect this measure prohibits public communication of statements which wilfully promote hatred against any identifiable group. I wish hon. members and some editorial writers would read the pertinent clause and not precisely what it says. First, it excludes any private conversation. Second, it prohibits the communication of statements which wilfully promote hatred. No matter how you define the word "wilful" in a particular situation, obviously what this bill says in simple English is that anyone who sets out to make statements deliberately intended to promote hatred against a race, or a group identified by racial or religious aspects, is committing an offence. It is not, therefore, saying something about Jehovah's Witnesses being wrong in not permitting their children to take blood transfusions. It is not any interference with anything that I or anyone else may want to say about Jews, Negroes, Catholics or Protestants.

In order to come within the ambit of this clause I have to say something dirty or scurrilous, and not merely say something dirty or scurrilous but say it with the intention of promoting hatred—say it in such a way, in such circumstances and in such a context that the court can find I deliberately intended to promote hatred against the identifiable group. I ask hon. members, where is that an interference with my legitimate freedom?

As I said earlier, I listened with great interest to the speech made this afternoon by the right hon. member for Prince Albert (Mr. Diefenbaker). I do not have his exact words, but I agree with him when he says freedom is the right to say something of which the majority may disapprove and with which the majority may disagree. Of course that is what freedom means. But then he added "subject to libel"; in other words, that I have the freedom to say something with which the majority may disagree, but subject to the laws of libel. Mr. Speaker, I say to the right hon. gentleman that the bill which he condemns so strongly is nothing more than a projection of the libel laws, from libel against an individual to libel against an identifiable group. The limitation which he himself placed upon the extent to which I can say something, namely, that it is subject to the laws of libel, is precisely the exception that this bill provides. It provides nothing more than that exception.

So what, in heaven's name, is all this misreading of the plain language of the bill which is before the House? True, the language may be improved. The bill may be misinterpreted by a court. I am a lawyer by profession; I have appeared in courts. Many times courts have interpreted language in a way which I disapproved in cases which I lost. If they had interpreted the language in what I considered to be the right way, obviously I would have won. It is quite conceivable that some court will misinterpret the language of this bill. It is quite conceivable that

some magistrate or judge will read into its language what this Parliament does not intend and will apply the law in a wrong way. That is why we have the appeal process in this country, so that higher courts will be able to look at a wrong decision and correct it. But because a law might be misinterpreted and abused by a court does not in itself condemn the law.

• (8:10 p.m.)

There is not a single law on the statute books that has not been misinterpreted, if I may say so, by some court or judge; because judges—and I say this bearing in mind that I might have to appear before them from time to time, although my parliamentary duties do not permit it too often—

Mr. Turner (Ottawa-Carleton): Careful!

Mr. Lewis: May I say, without being careful, that judges are human beings and they are no less capable of error, and probably no less capable of prejudice than any other human being, and therefore they may misapply the law. But what has that to do with the law itself and the merits of the bill before the House? Time and time again hon. members who have spoken have said, as have people who have written against this bill, that there is no immediate and present danger. In what way is that an argument against the bill? I suggest to this House, to the people of Canada and through you, Mr. Speaker, to hon. members of this House, that it is much wiser, much safer to introduce this kind of law when there is no crisis, when there is no present and immediate danger, than when there is a crisis.

When you introduce laws of this sort that try to order the behaviour of individuals and organizations in society at a time of impending danger, at a time of crisis, that is when they go overboard. If these laws come before the courts in times of crisis or panic, that is when they are misapplied, abused and misinterpreted. You hear the most sensible discussion of a law like this in times like these precisely because the danger is not so great as to make people too anxious, too obstinate and too inflexible. The law is before us now and it is good to know it is here at this time.

The right hon. gentleman from Prince Albert displayed great glee in referring to Frank Scott's presentation to the Senate committee. Let me say that Frank Scott and I worked together, as hon. members know, for many years. We have been personal friends, if I may say this now, because my age is well known as a result of many columns in the press of this country—

Mr. Turner (Ottawa-Carleton): For 40 years.

Mr. Lewis: —for 40 years. I have known Frank Scott and his delightful and talented wife for 40 years. We worked together in the CCF. In 1943 we wrote a book together.

Mr. Turner (Ottawa-Carleton): It couldn't have been a best seller.

Mr. Lewis: It was a best seller, let me inform the Minister of Justice. Indeed it was a best seller, and it had a very important title which is relevant to the present situation. I point my finger at the treasury benches when I say that the title was, "Make This Your Canada".

Some hon. Members: Hear, hear!

Mr. Lewis: Professor Scott and I have worked together for years. He was national chairman of the CCF when I was national secretary. I have the greatest respect for him and I hope he has some respect for me. But I disagree with him. He is no more infallible in his thinking than is the right hon. gentleman from Prince Albert, the Minister of Justice or anybody else. Frank Scott is capable of being influenced by a concentration of thought along one line, as all people are. When you concentrate your thoughts, energies and emotions along one line you are just as likely as anyone else, even if you are the most intelligent man in the country—and Frank Scott is one of the most intelligent men in our country—to be blinded as to other lines and other aspects of life. I say my friend Frank is guilty of just that in respect of this bill.

The hon. member for Coast Chilcotin (Mr. St. Pierre) quoted Harry Arthurs, another person I know very well and like to call my friend. What did Harry Arthurs say? He said that if we pass this law we will give people the illusion that everything has been done to stop prejudice and hatred and that they do not need to do anything else. That was the effect of what the hon. member read. I say to my friend Professor Arthurs that he is talking balderdash. Nobody is suggesting that that is what is intended. There is not a law on the statute books that stops the activities of ordinary citizens and ordinary organizations.

Just because you have a law that says society requires you not to do certain things,

does that mean that groups in society are not capable of constantly educating people along certain lines? I say to Professor Arthurs that the contrary of what he says is true—that when the law embodies the moral conscience of society, the likelihood is greater that active citizen groups will continue to do good work and the effectiveness of their work will be greater. This is historically true. Because it is now possible to base activities on the provisions of this bill, the educational and other work of citizens and groups will go on more effectively.

I am not an alarmist, but I also am a member of a minority group of this country and other countries.

An hon. Member: A member of the NDP.

Mr. Lewis: I am a member of an identifiable minority group in this country and other countries, and I must admit that I am constantly aware of what happened under Hitler to people of my identifiable group. I am amazed at the complacency with which people say, "Oh, there are just a few lunatics in this country now; what are you worried about? Are you worrying about these fringe-lunatics. Don't worry about them." In 1922 and 1923, Mr. Speaker, there were a few fringe-lunatics in Germany concentrated in one city. No one took them seriously. They were looked upon with contempt and disdain and every political party in Germany in the early 1920s, including the party which I would support, the Social Democrats, said, "This is nonsense. We do not have to worry about this lunatic fringe. No intelligent people such as ours will fall for this kind of thing." Well, Mr. Speaker, they fell; and as a result the world was thrust into a world war and Poles, Ukrainians and Jews were murdered by the million. So what is all this complacency about?

I say to hon. members that Canadians, as far as I am concerned, are the best people on earth. But they are human beings and history shows that racial antagonism is present in practically all of us. Let us be honest with ourselves about it. If adverse social and economic circumstances appear, if there is a recession or economic difficulty, or if there are national problems such as we face in Canada today with two different languages, it is quite possible for racial difficulties to come to the surface as they have in the United States and in other countries. To anyone who says complacently, "We in Canada are incapable of this," I say, not as an alarmist but as an historian, "you are deluding yourself." There is no people in the world that is not capable of collective evil.

I mentioned once before in remarks in this House the title of a book written by a theologian, Reinhold Niebur, professor of Christian ethics at a well-known theological seminary in New York. He wrote a book entitled, "Moral Man and Immoral Society". The purport of the book was to indicate to humanity that individuals who are individually decent people, who live as individuals without any of the meanness that is regrettable in human behaviour, will when objective circumstances create panic and the kind of hysteria that can be created by difficulties and conflicts become in the mass an indecent and evil mob.

• (8:20 p.m.)

That is true of every southerner in the United States who has helped to lynch Negroes. I am sure that at home every one of them is decent to his wife, children, dog and neighbour; he is proud of the fact that he goes to church on Sunday and that he does not steal or swear. However, when the mass of the southern whites get together in a context which governs their hearts and minds, they tear a human being apart. This is the historical fact. It is the historical fact with every group and with every society in every part of the world. Every race, white, black or yellow, is capable of this kind of evil. If it does not occur, it is because of the educational influence in our society; the influence of broader, deeper feeling and thinking in our society. It is also because of the influence of the laws in our society which lay down the standards of behaviour of people, whether in the civil code or criminal code of any country.

These are the safeguards against evils which are capable of being produced in any society anywhere in the world. These evils are fewer in our society than many others: this is why I am proud to be a Canadian. However, I do not fool myself by thinking that there is not anti-Semitism in parts of this country. I know there are people who are anti-Semitic. There are Protestants who hate the Catholics, Catholics who hate the Protestants, English-speaking Canadians who hate the "Frogs", and French-speaking Canadians who hate the English. I do not try to fool myself; these elements are present in our society and in every other society. It is a recognition of these facts and an appreciation of these elements in any group of human beings that makes it necessary for a wise Parliament to

try to pass laws which will, to some extent at least, limit the spread of prejudice and hatred.

As I said earlier today, this is all I claim for this bill. I think this is all the Minister of Justice (Mr. Turner) claims for this bill. No one with any sense will claim that this bill will eradicate hatred from people's hearts, or prejudice from people's minds. No one is naïve enough to think that. As I said earlier, it is probably impossible by any means ever to eradicate prejudice which may lead to hatred, but it is possible for organized society intelligently to take steps to limit that prejudice and hatred, particularly the deliberate spreading of hatred of an identifiable group.

There is nothing more reprehensible or corrosive of human behaviour and human decency in this world than racism. In my opinion there is nothing more evil, nothing lower in human behaviour than to regard another human being with disrespect and contempt because of race or religion. There is nothing more evil in society, and that evil should be dealt with. This bill deals in a modest way with preventing the deliberate spreading of hatred against an identifiable group. If the bill is read properly, objectively and honestly it will be seen that it does not interfere with any freedom, it does not interfere with any individual rights, it does interfere with the evil which racism presents to the world. I hope it will be overwhelmingly adopted by this House.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have listened with great interest to the hon. member for York South (Mr. Lewis), and I also heard this afternoon the statement by the right hon. member for Prince Albert (Mr. Diefenbaker). The member who has just resumed his seat is perfectly right when he says that hatred should not exist, and I share his opinion fully. However, we must acknowledge the fact that hatred does exist in nearly all the countries of the world, precisely because some people will not admit that a human being, whether he be white, yellow, brown or black, whether he holds Catholic, Baptist or Pentecostal beliefs, has a right to existence.

We believe there is a God. The Roman Catholics believe it, as well as the Protestants and the followers of various other churches. There is only one God and everyone imagines Him according to the religion to which he belongs. However, one should not forget that all human beings, wherever they may be, have an undeniable right to life and to respect, but that, on the other hand, they must respect others.

The hon. member was speaking about hatred. There are people who are full of hatred in Canada and in all other countries. The hon. member for York South told us that he was a member of a minority group, but I think he feels well respected in Canada. In a country where he would belong to the majority group and which is called Israel, hatred is also to be found. When we hear about the skirmishes and the wars now taking place between Arabs and Jews and between Lebanese and Jews, we surely can say that hatred does exist there also.

Hatred was prevalent in the Congo a few years ago, and in Biafra fairly recently.

People kill one another precisely because they have lost their sense of values and respect. When we note what is going on in Viet Nam, it is not really edifying. Every evening on television, we can see films showing us small children, mothers and old people covered with blood, on account of a revolution, hatred and misunderstanding.

• (8:30 p.m.)

As far as our country is concerned, as the right hon. member for Prince Albert said this afternoon, we are afraid to prevent hatemongers from entering Canada. We already have our own hatemongers, but we see fit to import a few.

The moment a socialist, a rebel or a revolutionary sets foot on Canadian soil, he is invited to express his opinions on the CBC network, in English and in French. Visits by such people are given the full headline treatment by newspapers.

The federal Department of Immigration gave permission to teachers from Algeria, France and other countries to enter Canada, knowing full well their intention was to teach revolution to our children.

We can see the results today. In certain universities or CEGEPs, young people have been stirred up. The professors we have allowed to enter Canada in the name of freedom and because, we said, everyone is entitled to his opinions, have never lived so well in their own country as they do in Canada.

Not satisfied with their higher living standard in Canada, they seek to reduce it or, at least, to sow the seeds of complete destruction which will be a reality in a few years the way things are going.

Bill C-3 is a monument to inconsequence. Indeed, in the name of freedom, we accept in Canada foreign professors who are full of hate, embittered and unreasonable. We welcome them in the name of freedom. Once accepted, they start sowing the seeds of destruction. Then, when destruction has begun, Bill C-3 is introduced with these words: Now, for the sake of freedom, this bill to eradicate hate publicity or propaganda must be passed. That is the illogical gesture of a legislator, of a government reluctant to assume responsibilities.

In the name of liberty, rebels are accepted, and warned: Be careful. If you nurture hatred, you will be arrested and thrown into jail for four or five years.

I will give an example. I am not referring to a Jew from Israel or to a Russian from the USSR, or to the American, Carmichael, or to Castro. I will just take an example in the city of Montreal, 110 miles from Ottawa.

A man by the name of Michel Chartrand was on parliament hill this afternoon, accompanied by a group of some 100 people whom he was haranguing in front of the main Parliament building, using the language of a coward, a vulgar rascal, a foul-mouthed boor, attacking everyone, respecting no one, swearing more stupidly than the lumberjacks of old who were a match for anyone when it came to cursing.

Mr. Chartrand was on parliament hill this afternoon, blaming the authority, any authority, for he has no respect for anybody. Mr. Chartrand could not carry on like that for five minutes in Cuba, a country which he adores, or in Russia, where there already is a political system which he would like to force on us here. Mr. Chartrand would be facing a firing squad less than two hours after saying what he said this afternoon to those gathered in front of the parliament building.

Mr. Speaker, he was behaving like a lunatic and what is more pitiful is that this dangerous mad man was accompanied by family men, truck drivers from Montreal with children 10, 12 or 15 years old, who are ashamed for their children to hear the remarks made by a scatterbrain like Michel Chartrand, and who have been led to a dead-end, because the union leaders tell them: "Either you follow us or you are scabs. You are in this with us or we will smash you. That is, in effect, what has happened in Montreal, where they have destroyed private property, smashing trucks, slashing tires and attacking truck drivers who were delivering the mail.

Union leaders like Chartrand are dangerous men because with hate in their hearts they have no other purpose than to destroy Canadian society. The government is afraid when he sees that.

In the name of freedom let us allow anarchy and tolerate scatterbrains like Chartrand and company. Let us put up with all that and then let us pass legislation like Bill C-3, because society must be protected. Let us permit its destruction in order to protect it afterwards. There is the inconsistency of the present situation.

Mr. Speaker, threats are made when we denounce hate mongers. Yet, mind you, it is not with hate that I condemn Chartrand but solely because I want to state the facts. I nurse no grudge against him. I even wish him to go to heaven, but if only he could get there a little faster.

Some hon. Members: Oh, oh!

Mr. Caouette: However, there is a limit in seeing such people rouse employers against workers and vice versa, people who will stop at nothing and who go as far as saying: If bombs must be used, let us use them.

The other paradox is the publicity which is given those people. I might be accused of making publicity for Chartrand, but at least I am telling the truth about him.

It has certainly been noticed that CBC cameras were there this afternoon. In fact there were three or four of them. The cameramen were not responsible for that; they had been instructed by the Corporation to be there in order to take photographs of all those who were present. Tonight at eleven we will perhaps hear the enlightening remarks made by Chartrand this afternoon when he uttered the worst curse words, and blamed everyone. The other day the Prime Minister of Canada (Mr. Trudeau) himself was jeered at by the same fellow here in front of the parliament building. I do not intend to defend the Prime Minister of Canada as a man, or as the leader of the Liberal party, but as Prime Minister of Canada. Whoever he is, Pierre Elliott Trudeau, Robert Stanfield, Tommy Douglas or Réal Caouette, the Prime Minister is, as it were, the symbol of Canada throughout the world and, of course, in Canada in particular.

Some hon. Members: Hear, hear!

Mr. Caouette: Thus, he deserves respect. Does Chartrand show any respect for him? The Prime Minister leaves the House to meet Chartrand who says to him: "Yes, you are

well protected, you have your bouncers with you". Of course, this went with a lot of swearing.

Mr. Speaker, I do not say that Chartrand should be shot as he would certainly be in Cuba if he acted the way he does in Canada but I say that he should be brought to his senses, to reason.

• (8:40 p.m.)

Chartrand stirs up the workers. As for me, I ask the Prime Minister yesterday whether he was considering the possibility of giving Chartrand the contract for mail delivery in Montreal that he might hire men and prove that he is smarter than the others as an employer. That would be one solution. Mr. Chartrand could have tendered for the mail delivery contract in Montreal. Anyone could. Why did he not do so? He does not assume his responsibilities. It is easy to blame those who accept them.

That is a case of hatred. It is to be found in several other sectors. When there are strikes here and there in Canada, hatred is present. Individuals are stirred one against the other, but the system that is responsible for it all is left alone. It is ignored, no one speaks about it.

Bills are introduced to check hate literature and genocide. We agree with those who say: down with racism, long live humanity. Still, the necessary steps must be taken to uproot the causes of racism. Once the people, the whole world, have been brought around to understanding that the individual is entitled to respect, there will no longer be such tragedies as we now witness in several countries.

Even here, in Parliament, pro-Biafran members joined battle with pro-Nigerian members. Even now, Canadians are wrestling with each other. Separatism and the Quebec rebels are feared while there are rebels in Ontario and in other provinces.

Bottles were thrown at the Prime Minister at the time of the Saint-Jean-Baptiste parade in Montreal. Rotten wheat was thrown right into his face in Saskatchewan. So there are people in revolt throughout Canada. Why? Precisely because our economic system does not enable us to live decently. While citizens are fighting against each other, while employers are finding fault with workers and the latter with employers, capitalists sleep in peace and are well off. They have no trouble because they finance both sides and get much out of both. So as long as that is profitable, the system works.

[Mr. Caouette.]

Wars were waged that way. Even in the United States, people are worrying about the end of the war in Viet Nam, as cannon manufacturers would not only be deprived of their profits but the spectre of unemployment would show itself. It seems strange to think that there is money in the United States to pay soldiers but not to enable the unemployed to live decently. Is that logical? That is what is happening nevertheless.

Twenty-six billion dollars are spent annually for the war in Viet Nam. Canons, shells and other destructive devices are manufactured and aircraft built to bomb innocent people. Money is no object. However, if all servicemen were sent back home to the United States, they would be told that there is no more money to enable them to live decently. How strange! There is money to enable them to live over there, where they are sowing destruction, but there is none in the United States to enable them to live in peace at home. The system is as stupid as that.

Besides, the same system exists in Canada. In Canada the problem is a financial one. If there ever comes a day when money is at the service of human beings, there will be greater understanding. When people have the right to live, to have a house, a car, a garden or a farm of their own, when they feel at home, the danger of a revolution does not exist any more.

However, when people are dead broke, as they are at the present time in Canada, where the unemployed number over 650,000, the situation is far from satisfactory. These people have not asked to be unemployed. They know that Canada could afford to give them a decent living. However, they find it impossible to live decently in our country, said to be the richest in the world. In such a juncture, the seeds of revolution make their way among the masses.

The needs of revolution and communism find their way into those poverty stricken homes. Little by little, the idea develops. We had an enlightening example this afternoon, with that lunatic Chartrand, on parliament hill.

Mr. Speaker, as legislators, we have responsibilities. The government has even more serious and obvious responsibilities since it is in charge of the nation's business. However, all political parties and all members of parliament also have their own responsibilities. Their first responsibility is to tell the truth, to be honest and to propose solutions that will not promote hatred, but will allow individuals

to understand each other better, whatever their origin might be, French, English, Jewish, Ukrainian or Polish.

The day people feel at home in Canada, individuals, fathers and mothers of families, then we will be prepared to defend our interests. And if all are ready to defend their interests, we shall have in Canada a true association of human beings instead of racism, religious feud and struggle between management and labour.

We shall be able to avoid that useless fighting. There will be different opinions, of course, and as many of them as there are individual members in the House. A human being is a world in itself. There is no such thing in Canada as two identical human beings. Therefore, let us try to set up a social, economic and political pattern allowing every human being to be himself, and to thrive freely according to his or her own aspirations, ability and will. Then and only then shall we have in Canada a just society, an understanding society, a society which will have no need for Bill C-3.

We need Bill C-3 because our House is a mess. We need a bill against hatred because there is cause for hatred. Let us suppress the cause and we shall achieve better results. We shall turn the Canadian people into a united nation living in a strong Canada which will stand as an example before the world.

[*English*]

Mr. Ian Wahn (St. Paul's): Mr. Speaker, quite properly this bill has provoked thoughtful and serious debate because it deals with an extremely difficult problem: how best can we protect minority groups against criminal defamation and incitement to hatred without endangering one of our greatest rights, freedom of speech? I readily understand why many members sincerely oppose this legislation; it is because they are afraid that in our desire to curb hate propaganda we may in some way impair or even destroy our most precious heritage, the right of free speech and discussion which we have taken centuries to win and to guarantee. We must protect freedom of speech. But we must also protect minority groups against hate propaganda, and we must fulfil our international commitments to outlaw genocide and racial discrimination.

This legislation which we are now considering is our attempt to reconcile these objectives, and I wish to record my strong support of it. This bill is not an assault on freedom of speech; it is designed to fill gaps in existing laws to prevent criminal defamation and incitements to breaches of the peace, and also to fulfil our international commitments to outlaw genocide and discrimination. I should like to make that the theme of my brief remarks this evening.

As a lawyer with great admiration for the way in which our legal system has evolved gradually over the years, I believed at one time that our existing law provided adequate protection against hate propaganda. However, the evidence presented to the special committee appointed in 1965 to study hate propaganda changed my views, and in the last Parliament I introduced a private member's bill designed to achieve the same purposes as this bill that we are considering.

The fact is that a great deal of propaganda is continually being directed against minority groups in Canada, usually Black, Jewish or Catholic. I myself have received hate propaganda and I am quite sure that most members from urban ridings have. For that reason I believe it is important that a bill such as this should be passed, and with a large majority, as a ringing declaration that this Parliament condemns all attempts to stir up hatred against any of the large number of minority groups which form part of our multicultural society.

• (8:50 p.m.)

Some members have said you cannot outlaw hatred by passing laws, and that this is a matter of private morality and not a matter of public law. I think this distinction was the one intended to be made by the right hon. member for Prince Albert (Mr. Diefenbaker) in his phrase that "freedom involves the right to be wrong but not to do wrong." This is a striking phrase, Mr. Speaker, but as it was pointed out by the hon. member for York South (Mr. Lewis), it illustrates the exact opposite of what the right hon. member intended.

This bill does not attempt to outlaw hatred, which is wrong, but rather it intends to outlaw overt acts based upon hatred. It intends to outlaw wrongdoing. We have outlawed criminal assault, we have outlawed murder, we have outlawed criminal defamation of individuals, and we can and must outlaw genocide and defamation of groups in order to protect the human rights of minorities.

In my province of Ontario we have a long and proud record of protection of human rights dating from 1793 when the first Parlia-

ment of Upper Canada passed an Act to Prevent the Further Introduction of Slaves and to Limit the Term of Enforced Servitude within the Province. Later provincial legislation proved very effective in preventing discrimination in housing and employment, despite the very same arguments that we have heard during the last few days that this type of discrimination based upon hate cannot be prevented by legislative action.

In fact, this legislation merely fills gaps in our criminal law. We have already criminal legislation to prevent breaches of the peace. This legislation makes it clear that this prohibition extends to breaches of the peace resulting from hate propaganda. We have already criminal legislation prohibiting criminal defamation of individuals. This bill simply makes it clear that this prohibition extends to criminal defamation of groups of individuals.

In Canada we have always been proud to be numbered among the strong supporters of the United Nations and the philosophy which it represents. The passing of this bill will help discharge our international commitments. The Universal Declaration of Human Rights adopted by the United Nations declares as follows:

> All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act toward one another in a spirit of brotherhood...Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status—
>
> All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

The United Nations Declaration on the Elimination of all Forms of Racial Discrimination declares, in Article 8:

> —all propaganda and organizations based on ideas or theories of the superiority of one race or group of persons of one colour or ethnic origin with a view to justifying or promoting racial discrimination in any form shall be severely condemned.
>
> All incitement to or acts of violence, whether by individuals or organizations, against any race or group of persons of another colour or ethnic origin shall be considered an offence against society and punishable under law. In order to put into effect the purposes and principles of the present Declaration, all states shall take immediate and positive measures, including legislative and other measures to prosecute, and/or outlaw organizations which promote or incite to racial discrimination, or incite to or use violence for purposes of discrimination based on race, colour or ethnic origin.

[Mr. Wahn.]

The International Convention on the Elimination of All Forms of Racial Discrimination states, in Article 4:

> States Parties condemn all propaganda and all organizations which are based on ideas or theories of superiority of one race or group of persons of one colour or ethnic origin, or which attempt to justify or promote racial hatred and discrimination in any form, and undertake to adopt immediate and positive measures designed to eradicate all incitement to, or acts of, such discrimination and, to this end, with due regard to the principles embodied in the Universal Declaration of Human Rights and the rights expressly set forth in Article 4 of the Convention—
>
> (a) Shall declare an offence punishable by law all dissemination of ideas based on racial superiority or hatred, incitement to racial discrimination, as well as all acts of violence or incitement to such acts against any race or group of persons of another colour or ethnic origin, and also the provision of any assistance to racist activities, including the financing thereof;

In conclusion, Mr. Speaker, this bill is designed to carry out our obligations under these great international charters. It is not an assault on the freedom of speech. It is designed to protect human rights, and it deserves the strong support of the members of this House.

Mr. J. A. Jerome (Sudbury): Mr. Speaker, I did not intend to participate in this debate, but I was in the House this afternoon and heard the right hon. member for Prince Albert (Mr. Diefenbaker) speak. I was pleased, as always, to be in the House when he made his remarks, because as we all know he is a skilled orator and a brilliant debater with long experience in our courts and this chamber. For these reasons I looked forward, as always, to his performance in the House this afternoon.

He began with his flowing style and his appeal to sentiment and nostalgia, and it appeared he was in top form. But as his remarks unfolded I am sure every member of the House shared my disappointment. With nostalgia and sentiment he related so clearly and exhaustively his record as a defender of the liberties of individuals and our country and a fighter for civil liberties. As he further paraded before the House the adulation he received from the Jewish community in this country and others, it developed, in my opinion at least, that this was simply a façade to conceal the fact that he had nothing positive to contribute to the merits, strengths or weaknesses of this legislation.

It became obvious very early in the right hon. gentleman's remarks that his principal concern is that the amendment proposed to

the Criminal Code offends the Bill of Rights which is now clearly established and which he regards as a personal possession. As if that were not bad enough, he then carried on what is obviously developing as a vendetta of the Conservative Party against Mr. Gagnon, director of Information Canada. Then he finally slid to the lowest depths of all, into a personal vendetta against the Prime Minister (Mr. Trudeau) by making remarks indicating that the Prime Minister was attempting through this legislation to silence disagreement with him. This is not only insulting, it is irrelevant. His ultimate insult to the Prime Minister was his reference to remarks made about the Prime Minister during the election campaign of 1968.

The fact that these were the principal preoccupations of the right hon. gentleman might have escaped notice, and the fact that he really had nothing positive to contribute to the debate on the merits of this legislation may very well have gone unnoticed were it not for the fact that in my opinion a number of things he said this afternoon were patently absurd. I should like to refer to them briefly.

• (9:00 p.m.)

First, he said that freedom of speech in this country should be restricted only in areas about which we are talking—libel, slander, blasphemy and sedition. It seems to me somewhat absurd at this stage in the development of our country to refrain from adding to that list prejudice, bigotry, hatred and incitement to genocide. The hon. gentleman was quick to praise the remarks of the hon. member for Calgary North (Mr. Woolliams) as representing the position of Her Majesty's Loyal Opposition. If that is the position of the Conservative Party, how can one explain the reluctance to add to areas upon which we agree, such as the restriction on freedom of speech in respect of libel, slander, blasphemy and sedition, those areas referred to by the right hon. gentleman, namely, restriction on freedom of speech in respect of prejudice, bigotry, hatred and incitement to genocide?

I noticed in the right hon. gentleman's reference to the rights of Rubin and Stokely Carmichael and the incidents which have occurred recently in respect of those gentlemen, a very clear and categorical inconsistency. While he was castigating the government for bringing forward this legislation which is designed, in his words, to restrict and attempt to prohibit propaganda disseminated to create hatred and prejudice, he said that in the past he has advocated that persons such as Rubin and Stokely Carmichael should not have been permitted to enter this country in order to say the kind of things they wanted to say.

When this government said they should be let in and should say what they wanted to say, because this would be recognition of freedom of speech, he objected and said they should be prohibited. Now he says this legislation is offensive because it attempts to prohibit something like that, but not exactly the same type of thing, I hasten to add. That is a glaring inconsistency in the remarks of the right hon. gentleman for which I find no explanation.

What is worse is that he went on to say that the Criminal Code, if used in the manner proposed by the government in Bill C-3, would in fact be an attempt to silence people who have something to say. A first-year law student knows that a salient feature of our Criminal Code is that there is no prohibitory word or phrase in it. It does not say that a citizen of this country is prohibited from doing such and such—thou shalt not do this or that. Each and every section begins by saying that every one who does such and such is guilty of an offence. In other words, it lays down what we as a government say is conduct which acts against the way we want to run our country, against the order we expect in our society. This is so fundamental that there is no possibility that the right hon. gentleman fails to understand that basic principle of our criminal law.

We do not prohibit by our criminal law; people can do what they want to do. But if they do certain things they are on notice, because of the criminal law, that can expect to be prosecuted and punished if convicted. They are not prohibited from doing anything. I find this inconsistency inexplicable in a person experienced in criminal law when the right hon. gentleman says that the criminal law proposed in Bill C-3 is in any way prohibitory.

What really puzzles me about the position of Her Majesty's Loyal Opposition is the amendment which would reduce the bill simply to a prohibition against incitement or the promotion of genocide. All through the remarks of the members of the opposition we have heard that Bill C-3 constitutes a great offence to the liberty of the individual because it would restrict freedom of speech. Right on the heels of that argument they say it is all right to have this law provided we are talking only about genocide. So in their

opinion it is all right to limit freedom of speech if freedom of speech is misused in order to promote genocide.

Is it reprehensible to go on from there and say we will restrict freedom of speech if a person goes so far as to say he wants to kill all those against whom he is promoting hatred, but if he is only promoting hatred against them as a group we will not interfere with freedom of speech? The right hon. gentleman's remarks in this respect I find totally inconsistent and inexplicable. He quoted Daniel Webster's words, "I may disagree with what you say, but I will fight to the death for your right to say it". Are we to understand that Her Majesty's Loyal Opposition is saying they are prepared to fight to the death for the right of people in this country to hate Jews, Catholics, Protestants or any other group of people? Is that their position?

An hon. Member: That is their position.

Mr. Jerome: It is proper to say that through enlightenment and education these prejudices will disappear or be overcome. If we had an enlightened and informed body politic it would not be necessary to enact laws restricting this kind of conduct. This ideal is something we have long since abandoned. If we had the ideal situation in the way people should respect personal property, we would not need laws against theft. If the human being was not filled with avarice and greed there would be no need for such laws. If some human beings were not basically dishonest, there would be no need for many of our laws. If some people were not depraved, there would be no needs for laws covering violence and sexual offences.

We have need for laws of this kind because we are an imperfect society. It is all very well to say that if we used the instruments of education, intelligence and enlightenment we would not need to restrict the freedom to say things which incite hatred and genocide. I agree that if we had perfect enlightenment we would not need laws of this kind. If we had perfect enlightenment we would not need any laws, because we would deal with one another in a completely honest and intelligent way. That is the ideal, the Utopia. It would be nice to have it, but we do not.

There is another point on which I take issue with my good friend, the hon. member for Coast Chilcotin who joined the chorus of critics on the other side. It has been said many times in this debate that Bill C-3 contains imperfections, difficulties and loopholes. In my opinion, the basic breakdown in that argument is that it applies to every law on our statute books today. I am sure no one who has defended a case in the criminal courts has deluded himself, when he left the court room with an acquittal, that the acquittal was because of his advocacy.

• (9:10 p.m.)

The right hon. gentleman referred to cases he had won. He does that, but I do not. I recognize that there are basic imperfections in every piece of criminal legislation on the statute books. I know that day in and day out there are murderers, rapists, bootleggers, prostitutes, and so on, who have been engaged in the kinds of activities that the legislation, by making them an offence, is designed to discourage. I know that some of them have been acquitted, and perhaps there are imperfections in the law that could be tightened up. The fact that some people who are probably guilty have been acquitted does not mean we should stop trying to use those laws, or that we should never pass a law or attempt to restrict any kind of activity unless we know that every time a charge is laid we will get a conviction.

That kind of spurious attitude toward criminal law would lead us to a set of regulations which would be so restrictive as to be inoperable or so completely comprehensive as to totally annihilate any concept of the liberty of the individual. Surely the criminal law is imperfect in many respects. There probably are defences about which no one in this House has thought, and there probably are difficulties and loopholes in Bill C-3. Perhaps some of them will be changed by amendment, and perhaps defences put foward will show us where they are.

No doubt there is restriction on freedom of speech, as has been said by the hon. member for York South (Mr. Lewis) more eloquently than I can say it, in the restriction on the privilege of leasing premises, of rendering service in a public restaurant or public institution, by landlords, and so on. We tell people in this country that freedom to use their possessions and their position is restricted. We tell them they are restricted in freedom of speech and other freedoms that they enjoy, if by using those freedoms they promote and encourage hypocrisy, hatred, racial or religious prejudice, or genocide. There are in Bill C-3, restrictions on freedom of speech, there are imperfections in it and we may run into difficulty when we attempt to prosecute, but I for one am not about to preoccupy myself with these difficulties.

The hon. member for Coast-Chilcotin (Mr. St. Pierre) displayed the kind of spirit that has gained my admiration and the admiration of many hon. members with regard to the issue of Arctic sovereignty when he prodded the government—indeed he was the single, very strong spearhead that prodded this sometimes unwilling government—to take the position it has now taken. His attitude then was that he was not much concerned about the legal technicalities involved. He said that we have to move in this area because we must preserve our sovereignty. This member has taken part in this debate and I still admire his spirit, but I disagree with him in the way that he disagreed with previous speakers and with the Minister of Justice (Mr. Turner). I disagree with him in the same spirit, because he is now saying that he agrees with the spirit of the legislation but because there are so many technical problems we should not go into them. If we had taken that stand with regard to Arctic sovereignty, we would not be where we are today—and I am proud of our position.

Imperfections or no imperfections, restrictions on freedom of speech or no restrictions, and putting aside all reference to other countries that have passed such legislation, even if Canada had been the only country to envisage such legislation or pass it, and if it is as imperfect and as restrictive of freedom of speech as has been suggested, I would still embrace it openly.

I am proud to live in the first country that has said to anybody who comes within our borders and does the things prohibited by Bill C-3, such as inciting hatred, racial or religious prejudice or genocide, that they cannot do that here and if they continue to do it we will take away their printing presses or the buildings from which they disseminate the literature and we will put them in jail for two or three years. The legislation is not stiff enough.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, for the last two or three days I have listened to the debate on Bill C-3. Various speakers have gone into some of the basic principles behind this bill, and my attitude has changed as different points of view have been presented with sincerity, seriousness and conviction. But I must say with the same sincerity, seriousness and conviction that if there is a reason for my stand against Bill C-3, it is due to some of the remarks—I emphasize it is only some—of the member who preceded me, the hon. member for Sudbury (Mr. Jerome).

My reaction to his remarks may have been different from that of other hon. members, but it seems to me the hon. member has a habit of following the hon. member for Prince Albert (Mr. Diefenbaker) and speaking about him whenever the latter is not in this chamber. One could almost compare him with a young child who had robbed the cookie jar and tried to get into the jam when momma or daddy left the kitchen. He always is critical when the man he is speaking about has left the chamber. He incited me, perhaps not to hatred but to a degree of emotion that is repugnant to me, basically on the grounds of generosity and good Irish feeling—and I do not like to be incited. He is not here now, so I will cease talking against him any longer; otherwise I will find myself hoist on the same petard.

It is an amazing coincidence that the hon. member for Sudbury always seems to follow the hon. member for Prince Albert, who is usually not in this House at this time of the night. That is understandable, because he spends many hours at night doing things on which the hon. member for Sudbury casts aspersions. The hon. member for Prince Albert deserves his rest at night and should not be exposed to the innuendos and insinuations advanced by the hon. member for Sudbury which incite me. This brings me to the heart of Bill C-3.

Be that as it may, the right hon. member for Prince Albert can defend himself. One of the reasons I am so honestly confused about Bill C-3 is that it was introduced on behalf of the Prime Minister (Mr. Trudeau) by the Minister of Justice (Mr. Turner) who gained one of his claims to fame by saying that we should not worry about conduct in the bedrooms of the nation. Yet this legislation involves the minds of men not only in bedrooms but everywhere.

I agree with the hon. member for York South (Mr. Lewis) that we are not only speaking about the small sick or demented group. Many Canadians may by our standards be sick and demented, but this still has to do with the minds of men. I always listen to the hon. member for York South with a great deal of seriousness. I enjoy his contributions, which to my mind are among the most eloquent made in the House. However, I cannot speak on this subject with his conviction, nor do I pretend to do so.

Sometimes I wonder if a white WASP, Anglo-Saxon Protestant should contribute anything to this debate, because we cannot speak on the very sincere contributions that have come from those who are not WASPs and who have suffered discrimination because they are members of a minority. Perhaps I have not been exposed to what other hon. members have been exposed to, but it is only a question of time. I come from southern Ireland, and it was only a short time ago that Mr. Kennedy, one of the presidents of the United States, said in that there were signs put up in Boston which read, "Irish and blacks don't apply". That was not long ago. Personally, I have been saved that embarrassment. I have debated with myself for a long time as to whether I could contribute anything to the debate, or should even try to do so, because regardless of how long this debate may last it concerns some of the fundamentals of the Judaeo-Christian philosophy.

• (9:20 p.m.)

This is perhaps getting a little emotional, a little Irish and a little exaggerated, but basically the bill deals with the minds of men. It would be much easier for me to stand up in the House, like the hon. member for Sudbury, and say, "Of course I am against hate." I am against discrimination and I am against some of the things that he mentioned such as prejudice, bigotry and genocide. The one thing that he did hit upon that is in Bill C-3 is genocide, and there is not a person in this House who is not against genocide. But as far as I know, the words "prejudice" and "bigotry" are not mentioned in the bill.

There is something in the bill about inciting hatred with propaganda. I put it to hon. gentlemen that depending on where they sit, how they react, what the circumstances are, what the motivation and provocation may be, this becomes a pretty subjective thing. These are obviously things that should be involved. But I suggest to you, Mr. Speaker, that Jesus Christ could have been convicted, under some of the provisions of Bill C-3, by the Roman establishment of that day because he preached things which were anathema to and the antithesis of what the pagan Roman Empire believed, and he incited a breach of the peace.

I suggest to hon. members of this House that Martin Luther might have been convicted of inciting a breach of the peace under the terms of this bill when he posted his protest on the door in Wittenberg. Coming down to

the present day and age, I say that Martin Luther King could very well have been guilty of some of the offences set out in Bill C-3 because of some of the things he said against the WASP establishment in the America of which he spoke—and I am not saying that the Canadian part of North America is any better. The only quality in which we are better is that we do not have the numbers that are involved in that very serious problem south of the border. As Abraham Lincoln once said, the problem of race increases in direct ratio to the numbers involved. That is why we in Canada sometimes take a smug attitude about problems of race and religion, because we have perhaps a more homogeneous ethnic composition to our Canadian fabric than the country to our south. But that does not make us any better. It does not make us any more tolerant. It does not make us any more of the things that the hon. member for York South mentioned today.

Will Bill C-3 cure this? I agree with the hon. member for York South and others in one respect, and that is that I am not quibbling about the legal imperfections of the bill. However, looking back on history I can say, and I repeat, that under the terms of this bill Jesus Christ could have been convicted. Under the terms of this bill Martin Luther could have been convicted, and under the terms of this bill Martin Luther King could have been convicted.

I agree with the hon. member for Sudbury that there was an inconsistency in the Speech made today by the right hon. member for Prince Albert about Reubin and Stokely Carmichael. I suggest that if they came into Canada now, and if this bill becomes law, they would be convicted under it because what they preach and what they say certainly does not help calm the minds and spirits of men, be they black or white. They create dissension. They stimulate ill will. This may very well invoke a breach of the peace. But, Mr. Speaker, knowing the sad history of minorities, be they in the United States or any other country, do they not have a right to speak? Returning to Carmichael and Reubin, and to Rapp Brown wherever he may be tonight, I ask could any of those gentlemen come into Canada and speak, without being convicted under the terms of this bill?

I do not necessarily agree with what they say. What they say sometimes disturbs me immensely, but I agree that they have the right to say it. I cannot begin to believe the things they have gone through, the things

that provoke them to say the things that I find repugnant, but if I had gone through some of those things perhaps I would be saying the very things they want to say. My relatives were kicked out of southern Ireland because they did not believe in and conform to the establishment of that day. Thus, any exposure I have to this problem is only a vicarious one, and a pretty remote vicarious one at that, Mr. Speaker. I come back to this bill. To me it is repugnant because in so many places it shifts the onus of proof of innocence to a defendant. Some hon. members have suggested that there are protections and defences in the bill, but if a person is charged under it he has to prove that he comes within those defences.

However, the part of the bill that gives me more concern than any other has not been mentioned often in this House, and it is the reason I am speaking tonight. It is proposed new section 267C which outlines the procedures whereby a judge who is satisfied by a warrant, affidavit or information that there are reasonable grounds for believing that any member of this House, or anybody outside this House, has copies of material that he may want to distribute and which could be hate propaganda, can issue a warrant for seizure of that material, and this completely out of the blue so far as the person who has the stuff is concerned. Seven days later, under section 267C(2) the judge can then issue a summons for that person to appear, and he has to come into court and explain what the material is, and answer as to whether it is or is not something called hate propaganda.

Your Honour and some other hon. members of this House are experienced men at the bar. All I can say is that the two cases that I know involving Jehovah's Witnesses in Quebec, Roncarelli and Benoit, took 12 years from their beginning to the final judgment in the Supreme Court of Canada in order to resolve the legal problem. In his opening remarks for my party the hon. member for Calgary North (Mr. Woolliams) had a great deal of ground to cover. I think he did it very well, but I do not think he dwelt on this point. Neither did I hear the hon. member for York South today mention proposed new section 267C. I listened to the hon. member from the time he started his speech until five o'clock, and I may have missed ten minutes of his speech after the recess since I did not return to the chamber until ten minutes past eight o'clock. Thus, I missed that part of his speech. With the conviction and the emotion that he can contribute to debate, I would have liked to have heard him speak about 267C, which to me is the most repugnant part of the bill. But I did not hear him say a thing about it.

I did not hear the Minister of Justice say too much about 267C. I thought the right hon. member for Prince Albert was going to say something about 267C, which I repeat is the most repugnant part of the bill to me. Under it, if I have certain material in my house tonight—perhaps my children may have brought it in; perhaps they were given it on a street corner; I may be exaggerating but we are talking about basics and I think it is fair to test this by the extreme point because extreme thought all through history has produced change—I could be prosecuted.

Now I wish to refer to two great speeches made by the Minister of Justice last month. The first was the speech he made on March 4 when he talked about a manifesto for law reform, at the University of Windsor. The second was his speech of March 11 at the Caribbean conference, the law conference held in Kingston. I refer to that just in passing, Mr. Speaker, and I wish to give some quotations from his speeches.

• (9:30 p.m.)

To me, that speech of the Minister of Justice was a tremendous reflection—I wondered as a Canadian why he would go down there and say what he did. He ended his speech—I will not read some portions of it because I do not think they bear on Bill C-3—with these remarks, to be found on page 17 of the press release:

> —we are witnessing what has been described as a 'new search for human values and relationships —relationships between man, and between men and government—that have meaning in the technological and psychological context of our age.'

Then he quoted as follows:

> 'What this search and the accompanying changes demand is not a law and order that freezes man into predetermined patterns, but a law and order of change, of movement, of options. Yesterday's order, if it is unresponsive, becomes tomorrow's oppression.'

I believe he was quoting the words of Justice Cardozo. Perhaps he can tell me whom he was quoting.

Mr. McCleave: Certainly he was not quoting Justice Carswell.

Mr. Nowlan: I believe it was Justice Cardozo, a man who is known for his views on civil liberties and for his interest in them.

The minister ended his speech with these words:

> We want a law in motion—a law that will never stand still again.

To me, the danger of Bill C-3 is that it will encourage that danger the minister mentioned when quoting from that eminent speech of Justice Cardozo. There is a potential danger that men's minds and opinions will be frozen. The minister is as good a student of history as I am and he knows that sometimes the crank or the oddball, the man who is sometimes ahead of his time and uses language that does not conform to that used by the establishment, has been a catalyst of change.

In this connection I could mention Jesus Christ, Martin Luther King and Joseph Howe, a man who looms large in the history of Nova Scotia and who put up a strong resistance against the ruling party of the day. If I had had time I would have come to the chamber prepared with his speeches. He said what he believed. People who say what they believe may run into difficulties with regard to Bill C-3. He helped to establish a free and independent press which we must have in a democracy if it is to be truly democratic. We must not merely mouth the word "democracy" in this chamber.

Those who have spoken for or against the bill have done so seriously and honestly. There are differences of opinion. But to me, this bill runs counter to the position the Minister of Justice has taken. Unless we tolerate these catalysts, be they Stokely Carmichael, Rapp Brown, Martin Luther or Jesus Christ, man's true spirit will not be emancipated. You cannot emancipate it by placing a yoke on the throat and by putting a smothering blanket over free expression.

I refer again to a speech of the Minister of Justice, as contained in a press report of March 11, 1970. On page 4 of his address entitled, "The Legal Profession Confronts the Future", the minister had this to say:

> —law schools should preserve a balance between the life of the intellect and the life of the spirit.

Many things have been said by some here showing that they disagree with the concept which allows free expression of the spirit. I believe they have the right to express their views. But when the minister argues in this House that the saving grace of this legislation is that every prosecution needs the consent of the Attorney General, I say that argument is an exercise in sophistry. Where does the Attorney General come from? I am not reflecting on any one Attorney General in this country. When one becomes involved with Attorneys General one immediately descends—I use the word "descends" advisedly—from the realm of law to the realm of politics. We are all political animals in this chamber and do not take second place to anybody. We have ten Attorneys General at least in this country, and you could very well have ten different interpretations of what is hate propaganda or what constitutes an incitement under the terms of this bill.

The debate that has gone on for the last two or three days has interested me. Some people have said, "Oh, well, in Quebec in the old days Duplessis was wrong; he was corrupt." When Duplessis was in power in Quebec there was a little group that called a spade a spade and challenged him. They are now sitting on the government benches and in other parts of the House. They may pride themselves because of the political battles they fought there, but it was the Jehovah's Witnesses who first protested against some of the power being usurped there.

In retrospect, it is easy to say what was right or wrong. I am not saying Duplessis was bad for Quebec; I am not vindicating Mr. Duplessis. I am merely stating a proposition. Under Bill C-3 I do not think the Padlock Law could have been changed, because those proposing the change could have been jailed. I refer again to the minister's speech. It had spirit, Mr. Speaker. He said, again, on page 4:

> If we are to be truly intellectual we must take into account all relevant factors. We may often be thinking about the wrong things and may be devising wrong solutions to false problems.

At page 8 of his speech, in talking about the future of the legal profession, he said that the legal profession is concerned with the over-all restructuring of society. He also said:

> Law, which touches the nerve centres of man and society, and which touches us in a very prescriptive way, can be a profession in the vanguard of reform.

He also said this on that page:

> Indeed, law is not the enemy of revolution but can make possible revolution through law.

I suggest, because of the restrictive nature of Bill C-3, that if there is a spirit of change which sometimes even starts in the recesses of sick minds, minds which are perverted and prejudiced, it will not kindle any response in the hearts of men. It does not matter whether the spirit begins with a Rapp Brown, a Stokely Carmichael or a Martin Luther King. Does

anybody in the House think that the Attorneys General of Louisiana and Georgia would interpret a bill like C-3 in the same way as the Attorney General of Massachusetts, whoever he may be, Pennsylvania or California?

• (9:40 p.m.)

Bill C-3 has been advanced by a certain minority to help their conscience and to help their mainstream in a life to which I will never be exposed and therefore cannot fully appreciate. I say it is a trap for that minority. The hon. member for York South spoke about Europe. He knows as well as I that some churches in Europe have been preaching anti-Semitism for 1,500 years. That did not come into effect overnight. The master race philosophy was in vogue for over 100 years before Hitler. Perhaps because of this background, preaching in a public place by members of churches against their fellowman, which is so repugnant to those on this North American continent, was outlawed. I can understand this in certain countries of Europe, but it is not the situation in Canada.

I quote again from the statement of the Minister of Justice:

> Law is not just an agency of social control; it articulates the values by which men seek to live. It is not just a system of enforcement techniques, but a guarantee of fundamental rights.

At page 9 the minister said:

> The problem is, however, that if this conflict between authority and freedom is endemic to all societies, it is particularly so, and particularly dangerous, in societies reaching and moving beyond the development take-off point. For developing nations are vulnerable to the search for stability and the temptation of economic advances at the price of freedom. The rule of law in a free society can be precarious for a new nation—

At page 10 the minister said:

> The criminal law is the paradigm case of the controlled use of power in society. As Professor Herbert Packer of Stanford University has pointed out, there are limits to the use of the criminal sanction. This is particularly relevant for new nations which must guard against the invocation of the criminal sanction for political objectives rather than as a "neutral" instrument of crime control and due process. We have continually to humanize the use of the criminal sanction.

That, Mr. Speaker, is one of the most confusing parts of this whole matter. Bill C-3 has laudable social objectives, but it is invoking the criminal law to implement them. When the Minister of Justice introduced this bill in this House, he did no say there were limits to the use of the criminal sanction. I believed his speech on March 11. I believe it today. I believe it conforms to that degree of democracy we have reached in this country, with all its imperfections. While I think the objectives of Bill C-3 are laudable, I find repugnant the use of the criminal sanction to try and implement them because they involve so many cross-currents of human philosophy, conduct and behaviour. The Minister of Justice agreed to that very principle.

If there is doubt in anyone's mind about the philosophy, I refer them to section 267C, which allows a Judge to authorize someone, on the information of anybody, to seize literature in a person's house about which someone has sworn an affidavit saying that it is hate literature. Within seven days that person will be told to appear to answer the charge in court. If there is anything more repugnant to the common law, the criminal law of Canada or the criminal law of the British jurisprudence system, I would like to know what it is. I heard very little explanation from the Minister of Justice with regard to section 267C, which is the reason I feel motivated to participate in this debate.

This section has horrendous implications. What would happen if a man like Hitler used section 267C and had one of his "brownshirts" swear out an affidavit that the Minister of Justice had something in his house, not Pogo or Mickey Mouse but something that could be termed hate literature? The words in the section are "hate propaganda". While the minister is in the House talking about justice, there could be a knock at his front door while his wife is in the kitchen and a man could walk in and seize the literature. Seven days later the minister would receive a summons to appear in court to justify and defend his having hate propaganda in his home. Even though this literature might have been brought home by the children, he would have to defend himself.

In a case involving two eminent Jehovah's Witnesses it took 12 years to resolve who was right and who was wrong. While there is no one in this House who believes any person will go to the extreme I have illustrated tonight, the power is there. I ask, why is it there? It is an affront to the parliamentary process and to the judicial process.

I do not intend to deal this evening with the fact that the onus is shifted to the accused to come within the scope of the four defences outlined in the bill. That point has already been well covered. However, section 267C has

hardly been mentioned. As a lawyer, parliamentarian and Canadian I have publications in my house that may or may not conform to what someone may think is correct. Some day I could be exposed because of this. As we have heard, there are many great works of the masters that might be in breach of this section covering hate propaganda. These could perhaps include the "Merchant of Venice" or other Shakesperean tales. Enough said about that.

Section 267C is the most iniquitous part of this bill. I would like the Minister of Justice, the man who speaks for the just society or any member opposite to stand in this House and try to justify the power of a judge to authorize someone to come into my home on the basis of an affidavit of some kook, oddball, hippie or perverted, sick character that I have hate literature there.

In some of the great speeches made in this House on behalf of the minority by hon. members who were serious and sincere about this bill they dealt with freedom of expression and freedom of speech that was not available in Europe. How did Hitler prostitute the minds of men and do what he did in infamy? It was because there was not free speech. The people who spoke out were carted away. I do not wish to see any person given the unqualified right to come into my house on the basis of an information and, before I am convicted, seize property in my home.

Some of the hideous things that happened in Europe occurred because of lack of freedom of speech. I say this is a trap for those who have spoken so eloquently in support of this bill in order to help protect the minorities who have suffered so grievously. I have already stated that the consent of the Attorney General is of no help because he is a political creature. He has been appointed by the majority and represents the establishment. Is he going to help the minority? The power of consent assigned to the Attorney General becomes, in effect, almost a power of veto. In any event there are ten Attorneys General, each of whom will exercise discretion according to his own standards, standards which are bound to vary widely.

• (9:50 p.m.)

An hon. Member: Some bureaucrat will do it for him.

Mr. Nowlan: Yes, it could be a bureaucrat, as my hon. friend suggests. It could be the youngest member of the staff, someone straight out of law school. The assumption is that the minority will benefit, but this will not turn out to be the case. We are on a collision course between common sense and the law. The Minister of Justice suggests, speaking with sincerity and in tones of conviction, that there is an educational factor involved here which increases the value of the bill. I ask him this question: Since when has the Criminal Code become a schoolbook from which we learn the principles of decency and fairness to all mankind? If we have reached this stage in our society, we are a lot sicker than I thought we were. To me, the Criminal Code provides sanctions in case of offences against individuals and property. I do not believe it should be a schoolbook for those needing primary courses in conduct. We are supposed to learn these things in other ways.

I realize my time is limited, Mr. Speaker, and I should like to conclude by making one or two quotations which illustrate the concern felt in this issue by hon. members, especially on this side of the House. In the words of Justice Holmes, if there was a clear and present danger presented by the ills which this bill is supposed to cure, there might be justification for approving the proposals put forward by the government. I do not think there is such a danger. The bill is negative in quality. It will have a chilling effect not only on the occasional oddball who may be prosecuted but on many other persons who may from now on be afraid to speak out lest they become liable to the penalties set out.

I conclude by quoting the words of Mr. Justice Jackson in the case of *American Communications Association v. Dodds*, 339 U.S., 382, as recorded at page 442. Justice Jackson said, among other things:

> The danger that citizens will think wrongly is serious, but less serious than the danger of atrophy through not thinking—

Mr. Speaker: Order. I regret to interrupt the hon. member, but his time has expired. He can continue only with the unanimous consent of the House.

An hon. Member: No.

Mr. Speaker: Is it agreed?

An hon. Member: No.

Another hon. Member: That was Mr. Mahoney.

Mr. Nowlan: I was about to finish a quotation.

Mr. Speaker: Perhaps the hon. member might be allowed to finish the quotation he started.

Mr. Macdonald (Rosedale): Agreed.

Mr. Nowlan: I thank the House for its qualified approval. It is only because I was in the middle of my concluding quotation that the hon. member for Calgary South (Mr. Mahoney), who was not even listening—I do not blame him for that—said no. Mr. Justice Jackson, among other things, said:

> It is not the function of the government to keep the citizens from falling into error. It is the function of the citizens to keep the government from falling into error.

Every time the House passes a negative, repressive piece of legislation which restricts the full expression of opinion, even though the opinions expressed may be odious, we fall into error and a lever is removed by means of which bad government could be corrected.

Mr. Robert McCleave (Halifax-East Hants): Perhaps I can make one point before Your Honour sees it is ten o'clock. I would say on behalf of my hon. friends that the vote this afternoon on the amendment moved by the hon. member for Calgary North (Mr. Woolliams) is an accurate reflection of our attitude regarding the disposition of this measure as a whole. I say this in order that our views may be identified on such an important issue.

I do not intend, when the debate is resumed, to go over the ground I covered during an earlier intervention, but I should like to make three short points. I am afraid I cannot make them in 30 seconds, so I trust hon. members will accord me their indulgence if I ask you to say, Mr. Speaker, that it is ten o'clock.

BUSINESS OF THE HOUSE

Hon. Donald S. Macdonald (President of the Privy Council): Before the House rises, Mr. Speaker, perhaps I might be permitted to make a statement as to the business of the House for the next few days.

Some hon. Members: Agreed.

Mr. Baldwin: Why didn't you do it earlier?

Mr. Macdonald (Rosedale): Because your hon. friends refused me permission to do so earlier. Tomorrow, as hon. members know, will be an allotted today, the subject matter being chosen by the New Democratic Party. On Monday we would call as the first item third reading of Bill C-3 currently under consideration, and would hope to follow shortly thereafter with second reading of the Canada grain bill. It is anticipated this will be a popular subject matter and we therefore expect to spend some part of Tuesday on its discussion. On Wednesday the budget debate will be continued for the fifth appointed day, and on Thursday we shall consider Government Order No. 87, Bill C-202 in connection with measures against pollution in the Arctic seas.

At 10 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, April 10, 1970

The House met at 11 a.m.

[*Translation*]

ROUTINE PROCEEDINGS

ENERGY

ANNOUNCEMENT OF FINANCIAL AID FOR DEUTERIUM HEAVY WATER PLANT

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wish to announce that the government of Canada has decided to make available assistance involving some $41.4 million to the province of Nova Scotia to help in the rehabilitation of the Deuterium heavy water plant at Glace Bay.

I have advised the premier of Nova Scotia that Atomic Energy of Canada Limited has been authorized to negotiate an agreement with the province formulating the details of two of the three forms of assistance which the government of Canada is prepared to provide.

[*English*]

The government of Canada is prepared to authorize such an agreement on condition, first, that AECL be satisfied with the selection of a new plant operator, as well as with the responsibilities and powers entrusted to such operator and his plans for rehabilitating the plant; and second, that AECL is satisfied with arrangements the province of Nova Scotia is understood to have made with Jerome Spevack releasing the province from certain secrecy obligations and guaranteeing that the government of Canada, among others, will not be subject to any claim Mr. Spevack might otherwise have attempted to make.

I should point out that the present contract between AECL and Deuterium calls for the delivery of 5,000 tons of heavy water at an average price of approximately $18.50 per pound; production at the rate of 400 tons per year was to start in May, 1968, and was to continue for 12½ years from October 1, 1969.

AECL is now authorized to offer a price of $20.50 per pound for the heavy water to be produced by the Deuterium plant. This will involve an additional sum of approximately $20 million over the present contract price.

The second proposal is the prepayment of one year's production of heavy water in the amount of $16.4 million.

The province has requested earlier payment of a $5 million incentive grant under the ADA legislation. However, under this legislation as it now stands, such a grant would be payable only when the plant comes into commercial production and in subsequent years.

Nevertheless, I have informed Premier Smith that, subject to agreement on the points mentioned above, the government of Canada is prepared to ask Parliament for authority to pay such a grant on a phased basis during the course of the work required to bring the plant into production.

Hon. members will recall that the first delivery of heavy water from this plant was due in 1966. The failure to make delivery to this date has necessitated purchase of heavy water from the United States at an additional cost of roughly $25 million to Canada's nuclear energy program.

• (11:10 a.m.)

To sum up, we are prepared to make arrangements for the prepayment of $16.4 million, for a development grant of $5 million, and for an additional sum of $20 million in the price over the contract period, in the interest of bringing into production a plant whose product itself is needed in Canada's nuclear reactor program and in the interest of easing the burden of bringing the plant into production, a burden which the province has stated would be very great indeed if it had to proceed without this assistance on the part of the government of Canada.

While we believe that these proposals by the government of Canada will assist the province in rehabilitating the plant, I should like to emphasize that, according to information made available by the province, there will still be an annual shortfall on capital and interest recovery in the neighbourhood of $5 to $6 million during the life of the new contract.

Finally, I should add that Atomic Energy of Canada has advised the government of Canada that it will be possible to rehabilitate

this plant and bring it into production in accordance with the study made by DuPont.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, there is no doubt that the heavy water plant at Glace Bay has an important part to play in the development of Canada's nuclear reactor program, in fact in the development of Canada itself. The increasing problems caused by other forms of power generation in Canada through pollution, through shortage of hydroelectric sources and many other matters, including the sales of nuclear reactors outside Canada, made us heavily dependent upon development of a Canadian heavy water power capability. Therefore we welcome the announcement just made by the Prime Minister and sincerely hope that the engineering problems at this plant can be satisfactorily overcome.

From time to time we have heard in the House rather snide remarks or references to the difficulties that this plant has encountered. I am glad it has been recognized that these difficulties are engineering problems, that they have been such from the beginning and were not commercial or political difficulties.

I think that the government has approached these problems in the proper manner. We would also concur with the Prime Minister's words at the bottom of page 3 of his statement, namely, that the burden was one "which the province has stated would be very great indeed if it had to proceed without this assistance on the part of the government of Canada." We say no more than that we hope that, with the assistance that has been offered by the federal government, the province will be able to proceed with the development of the heavy water plant that is so necessary to the development of Canada's great resources.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the story of the Deuterium heavy water plant at Glace Bay is not a very happy one. When the House first discussed the construction of a heavy water plant in Canada, it will be recalled that I raised the question of the process that was going to be used. This was interpreted in some quarters as a criticism of the location of the plant in Glace Bay. I had no preference as to where the plant should be located, but I was concerned because I knew that the process in question had been looked at by several governments in various parts of the world. Consequently, I was most anxious that some information be secured, either through the building of a pilot project or through further investigations, as to the feasibility of the process itself.

Unfortunately there have been difficulties. Whether these relate to the process or to construction or engineering operations I do not know, but this plant was supposed to be in production by 1966. It is still in difficulty. I see no value in crying over spilled milk. The government has taken the only action it could take. In view of the amount of money that has been spent the Canadian government certainly had to give financial assistance in the hope that this plant can successfully produce heavy water at a competitive price.

The Canadian atomic reactor program is most vital to our future industrial development, and if we are going to sell atomic reactors around the world we must be able to guarantee a supply of heavy water when these customers demand that service. Consequently it is very important that this project be successful.

By making this additional offer of $41,400,000 I think the government will give the project a chance to succeed. I am sure that members in all parts of the House are hopeful that the project will succeed, that this plant will be able to produce heavy water and that it will be of great assistance to Canada's atomic reactor program.

The experience with this plant ought to be a warning that in future, before large sums of public money are invested, the processes involved should be thoroughly and carefully investigated. I do not know whether my information is correct, but I am under the impression that Atomic Energy Limited of Canada never approved this process. Having invested this money we all hope that the results will be beneficial and that this project will be brought to a successful conclusion.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I feel it is a good thing for the government to get involved directly in the problem of the heavy water plant at Glace Bay, Nova Scotia.

Despite the difficulties experienced in the last five or six years and more particularly in the last four years, I believe it was urgent for the federal government to take position in the matter.

Reorganizing and bringing the plant into production will naturally entail expenses, but it will do a great deal to promote economic expansion in Nova Scotia and hence in the whole country.

Nova Scotia needs this plant and, as I said before, despite the difficulties which we had to face, I believe it is wise on the part of the government to take this decision so as to encourage as much as possible the reorganization and operation of this plant. Needless to say that this program will inject new vigour into the economy of Nova Scotia and that of Canada as a whole.

PRICES AND INCOMES COMMISSION

TABLING OF REPORT ON TINPLATE

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I have the honour of introducing the Prices and Incomes Commission's report on tinplate, in both official languages.

[*English*]

FISHERIES ACT

AMENDMENTS RESPECTING "CLOSE TIME", DEPOSITING OF WASTE, MARINE PLANTS, ETC.

Hon. Donald S. Macdonald (for the Minister of Fisheries) moved for leave to introduce Bill C-204, to amend the Fisheries Act.

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

• (11:20 a.m.)

ORAL QUESTION PERIOD

AGRICULTURE

ARRANGEMENTS TO ASSIST WESTERN FARMERS TO MEET OBLIGATIONS—BASIC ADJUSTMENT PROGRAMS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Agriculture. It is based on the darkening prospects for western agriculture and the complaint that the government in Ottawa does not appreciate the real problems there. Will the minister not reverse the decision he has made and, on the basis of the government's undoubted jurisdiction, direct the Farmers' Creditors Arrangement Act administration to provide assistance to, or provide arrangements for, those farmers to meet their obligations as they fall due so that they will not be subject to foreclosure and debt action?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, without in any way, shape or form accepting the preamble to the question, I should like to advise the hon. member again that if the revisions he has asked for under the Farmers' Creditors Arrangement Act were in fact put in place they would be of no benefit to the farmers unless the interest decreased substantially. Whether or not this will happen in the marketplace very soon is something neither the hon. member nor I can predict with accuracy.

Mr. Baldwin: Mr. Speaker, I have a supplementary question. May I say to the minister that obviously he did not understand the question. I am not referring, of course, to interest rates. I am referring to general relief against debt foreclosure. Does the government intend to do anything for the farmers of western Canada in respect of this problem?

Mr. Olson: Mr. Speaker, I have recited in this House many times what we are doing. A number of farmers have advised me that this is really helpful.

Mr. John Burton (Regina East): Mr. Speaker, in view of the fact that the minister and other government spokesmen from time to time have referred to the fact that the government intends to announce basic adjustment programs, can the minister indicate to the House when he will be in a position to announce these basic adjustment programs? Also, in respect of the question asked by the hon. member for Peace River, would he advise whether he might give consideration to a program enabling debt consolidation?

Mr. Olson: Mr. Speaker, so far as basic adjustment programs are concerned I think hon. members opposite will appreciate that a number of the things we are doing in fact are basic adjustment programs. There are some people who do not agree with all of them, but that does not change the fact that they are sincerely designed to deal with these problems. So far as a debt adjustment program is concerned, I am sure the hon. member realizes this really falls more within the provincial jurisdiction than the federal jurisdiction.

Mr. Baldwin: Nonsense!

Mr. Olson: In so far as we are capable under the provisions of the Farm Credit Act and other acts that the federal government does in fact administer, we have been very helpful in this difficult situation.

Mr. Baldwin: Just like an undertaker.

Mr. Burton: Mr. Speaker, in view of the fact that the Minister without Portfolio has

made quite clear that the program he announced recently is a crash program and would be supplemented by basic adjustment programs, would the minister not agree there is a difference between the wheat acreage reduction program and the basic adjustment programs which are being requested by the farmers?

Mr. Speaker: Order, please. The hon. member's supplementary question is posed in the form of an argument. It is not acceptable in this sense.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to ask the Minister of Agriculture whether or not the government has considered reinstating the debt legislation originally enacted in 1934 to make it apply at this time of emergency in 1970?

Mr. Olson: Mr. Speaker, a number of acts were introduced at that time but, as I said, the interpretation that the hon. member for Peace River puts on this act is completely inaccurate.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister indicated that debt relief arrangements would be under the jurisdiction of the provinces. Has he not heard of the Farmers' Creditors Arrangement Act which is a federal statute?

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—UTILIZATION OF UNUSED FUNDS TO ASSIST WESTERN FARMERS

Mr. Don Mazankowski (Vegreville): I have a question, Mr. Speaker, which I wish to direct to the Minister without Portfolio responsible for the Wheat Board. In view of the fact that evidence now clearly indicates that the LIFT program will not be applied by as many farmers as was originally predicted, for reasons beyond their control such as previous voluntary reduction in acreage and soil erosion, and since the $100 million that was originally earmarked for the program will only be partially utilized, could the minister indicate whether any consideration is being given to a supplementary program to assist those who are unable to apply operation LIFT? I say this in the light of the critical cash shortage that exists in the western provinces, and furthermore it now appears that the LIFT program will—

[Mr. Burton.]

Mr. Speaker: Order. The hon. member has asked the question.

Hon. Otto E. Lang (Minister without Portfolio): The hon. member's question is of course based on a hypothesis. He asserts there is evidence for what he says. At this stage it is very difficult to know to what extent there will be participation in the program. The figures are very difficult to arrive at at this stage. Certainly farmers without surpluses are likely to continue growing about the same amount of crop as they had in previous years. This is what we anticipated in thinking of programs to help them, particularly by keeping other farmers, the ones with wheat surpluses, out of the non-wheat crops. I am still optimistic that with a growing understanding in the regions where surpluses exist of the advantages to the producers of taking land out of production there will indeed be a very substantial participation in the program.

Mr. Mazankowski: In light of the minister's answer, I wonder if he will give consideration to removing the penalizing effect which the cancellation of the unit quota system will have on those small farmers in the small mixed farming areas?

Mr. Lang: The question about the unit quota is one that stands rather separately on its own and would take more time than is available to me at this stage to answer properly. The quota committee did recommend that the unit quota be abolished and gave some of the reasons for this action.

[*Later:*]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister a question with respect to the fact that the wheat acreage reduction program, according to him, was designed not only to reduce the amount of land seeded to wheat but also as a means of injecting purchasing power into the western economy. If present indications continue and it is found that the full $100 million which the House has approved is not utilized, can the minister assure the House that any money which is not required for that program will be used to provide other assistance to western farmers?

Mr. Lang: Mr. Speaker, I answered that question fairly fully earlier when I indicated it was completely hypothetical, and that I would be waiting until I see how far the program utilizes the $100 million which has been granted as a budget item for it.

APPLICATION OF ACREAGE REDUCTION PROGRAM TO VETERANS LAND ACT FARMERS

Mr. Jack McIntosh (Swift Current-Maple Creek): I have a supplementary question with regard to the Veterans Land Act. I wonder whether the minister has consulted his colleague, the Minister of Veterans Affairs, with a view to changing the present Veterans Land Act in regard to those who have entered into agreements with the government on a crop-sharing basis so that the veterans who are farming can participate in the benefits under the minister's new program?

Hon. Otto E. Lang (Minister without Portfolio): I will be glad to give consideration to that comment.

WHEAT—ACCEPTANCE OF ALL GRADES UNDER EIGHT BUSHEL QUOTA—DELIVERY TO ADDITIONAL POINTS

Mr. S. J. Korchinski (Mackenzie): May I ask the minister whether he is in a position to guarantee that all grades of grain will be taken in on the eight bushel quota in the next crop year?

Hon. Otto E. Lang (Minister without Portfolio): Present indications are for significant markets for the whole range of grains which are available in the prairie region. Some people are concerned about the lower grades, but of course these are very much in demand by some of our best customers.

Mr. Korchinski: In view of the fact that at the present time many of the elevators are refusing acceptance of lower grade grains, despite the fact that there may be a market for them, and are only taking dry No. 2 and better quality, will the farmers be given the opportunity to deliver to other points, not only one additional point but three or four if need be, in order that they can make deliveries where space is available?

Mr. Lang: The quota committee did recommend alternative delivery privileges to at least a second point, and consideration will be given to this. However, I think hon. members should appreciate the fact that there may be different action than in the past on the part of elevators at the present time with the block system in effect and with the advance notice which elevators receive about the kinds of grains which will be taken in the next shipping series.

Inquiries of the Ministry

WHEAT—INCREASE IN DELIVERY QUOTAS PRIOR TO SEEDING

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, inasmuch as the quota system is causing a great deal of the trouble in those areas where farmers have a one bushel or two bushel quota, is the minister in a position to express any hope for these hopeless people that there will be a reasonable increase in their quotas between now and the beginning of seeding?

Hon. Otto E. Lang (Minister without Portfolio): In some areas, Mr. Speaker, of course seeding is not very far away, but the transportation committee not long ago outlined the delivery program through Thunder Bay for the balance of the crop year with what are really record unloadings of cars within that period, so that we will be seeing a fairly rapid movement of grain from the prairie region.

Mr. Diefenbaker: That does not happen to answer the question I asked. With respect to those areas where there are one or two bushel quotas the Saskatchewan Pool reports that there are 492 on a one bushel quota and 340 on a two bushel quota. Will the minister advise whether or not in these areas there will be action taken to increase these very unjust and very discriminatory quotas that prevents these farmers from being able to secure even a modicum of what they should be able to secure?

Mr. Lang: I think it should be obvious to the right hon. gentleman that as the grain moves to the Lakehead these quotas will in fact open.

Mr. Diefenbaker: Well, Mr. Speaker, I asked the minister whether there is going to be an increase in the quota. It not being obvious as to what may happen, is there going to be an increase in the one or two bushel per acre quotas? That is what I asked.

Mr. Lang: Well, of course, Mr. Speaker, the Wheat Board has indicated that there will be an equalized four bushel quota throughout the region by the end of the crop year, and the quotas will open in the individual areas just as soon as movement of the grain can be handled.

Mr. Diefenbaker: No wonder the farmers call it the "WARP-ed" program.

Inquiries of the Ministry

SUPPLY OF BOXCARS FOR MOVEMENT OF WHEAT—PRIORITY TO LOW QUOTA POINTS

Mr. Les Benjamin (Regina-Lake Centre): In view of the fact that the minister on previous occasions in debate in this House has given commitments and assurances that record volumes of grain will move in the period between last February and the end of July, and in view of the fact that farm marketings last week were one million bushels less than in the same week last year, what efforts are being made to have the railways increase the number of cars in grain movement, and what official date has been set for the opening of navigation at the Lakehead? Further, will priority be given to places still on one bushel or unit quotas in terms of increased quotas?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, there are many considerations involved in the selection of the points and the blocks from which grain is moved in order to meet the requirements of the marketplace. I believe that navigation is opening on Monday, although I do not have official word on that. The drop in deliveries has resulted from the fact that the space available at the Lakehead was filled prior to opening of navigation. The railroads as well as the terminals have met with the Transportation Committee, in fact they are part of the Transportation Committee, in laying out the program for the movement of grain required for the shipping season.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Regina-Lake Centre for a last supplementary, but we should really go on to the next subject.

Mr. Benjamin: Mr. Speaker, in view of the replies from the minister, the commitments given and the fact that July 31 is the day of reckoning for him, I wish him luck.

EXTERNAL AFFAIRS

GREECE—POSSIBLE DEATH SENTENCE ON DIONYSSIOS KARAGEORGAS—REQUEST FOR CLEMENCY

Mr. David Lewis (York South): Mr. Speaker, I want to ask the Prime Minister a question arising out of the recent trials in Greece of a number of opponents of the military regime in that country. I gave the Prime Minister notice of this matter through Dr. Head, his legislative assistant.

According to information I received last night, the prosecution asked for the death sentence in the case of Dionyssios Karageorgas, a professor of economics, and he has been convicted and sentenced to death. Will the Prime Minister consider favourably and urgently making an official appeal to the government of Greece for the commutation of this inhuman sentence?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I thank the hon. member for having given notice of this question; it permitted me to make inquiries. The information I have from External Affairs, who are following very carefully this case of Dionyssios Karageorgas is to the effect that although the death sentence has been requested by the prosecution there has been as yet no conviction and sentence.

Mr. Lewis: I hope the Prime Minister is right, Mr. Speaker, but may I ask him whether he would instruct our ambassador in Greece to watch developments carefully and instruct him that, if the death sentence is imposed on this gentleman, he immediately convey the Canadian government's request for clemency?

Mr. Trudeau: The first part of the suggestion is already being carried out, Mr. Speaker, and the second part is a hypothetical question.

COMPLAINT RESPECTING OFFSHORE BROADCASTING INTO GREECE

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. Has the government received any complaint from Greece with regard to those people who are on a ship off the shores of that country broadcasting news into Greece to try to overthrow the military government, some of these people aboard the ship being Canadians representing a party in this House?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have no such information but I will ask the Secretary of State for External Affairs to check into the matter.

[*Translation*]

HOUSE OF COMMONS

SUGGESTED ADJOURNMENT ON QUEBEC ELECTION DAY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a question for the Prime Minister, in case he is not aware that there will be a general election in Quebec on April 29 next.

In view of the importance of this general election, would he consider an adjournment of the House on April 29 so that hon. members and federal employees living in Quebec may carry out their duty as citizens?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not believe this to be customary, but we, on the government side of the House, have made arrangements, in case some hon. members should be absent on that day in order to remain in Quebec, not to feel their absence too much.

[*English*]

NATIONAL ART GALLERY

SUGGESTED REMOVAL OF PLAQUES BEARING OFFENSIVE LANGUAGE

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question will be for the Prime Minister. In view of the incredibly offensive language used on the galvanized iron wall plaques now on display on the main floor of the National Art Gallery, will the Prime Minister ask the Secretary of State to use his best efforts to have the Twenty-four Hourly Notes of the works of Greg Curnoe removed from display immediately?

Right Hon. P. E. Trudeau (Prime Minister): I will take the question as notice, Mr. Speaker.

THE CANADIAN ECONOMY

INFLATION—POSSIBLE PRICE INCREASES BY ALUMINUM COMPANY OF CANADA

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question would be for the Minister of Consumer and Corporate Affairs but as he is not here and because the Minister of Industry, Trade and Commerce has a peripheral interest I shall direct it to him. In light of the announcement by the Aluminum Company of Canada of their intention to advance prices on the export market for several aluminum products and that they are considering the price structure in Canada, would the minister advise whether officials of his department or that of his colleague, the Minister of Consumer and Corporate Affairs, are discussing this matter with the Aluminum Company of Canada so that there will not have to be a *post facto* movement to get any price increases rescinded?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, my officers were in touch with Alcan this morning and were informed that Alcan was only studying at this time the possibility of increasing or attempting to increase the price of their commodity in Canada, so this is only in a state of being studied.

TRADE

ALLEGED DUMPING OF CANADIAN SULPHUR IN U.S. MARKET

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, while I am on my feet I might confirm the answer I gave yesterday to the member for Edmonton West having to do with a possible protest by the United States authorities against alleged dumping of Canadian sulphur on the United States market. The government has received no protest from the United States government on that subject.

[*Later:*]

Hon. Marcel Lambert (Edmonton West): I have a supplementary question, Mr. Speaker, with regard to the minister's reply regarding sulphur. He says there has been no official communication or protest from the United States authorities, but is the minister aware of protests within the United States against the alleged dumping of Canadian sulphur and, if so, does he agree that the pattern is similar to that preceding the situation with regard to potash and that the extraordinary solution arrived at in that case should not be repeated in the case of sulphur?

Mr. Pepin: Mr. Speaker, I am informed that the reported dissatisfaction of some American companies has not even been brought to the attention of the United States government, so it would be difficult for us to protest against a protest that has not been made.

EXTERNAL AFFAIRS

SHIPMENT OF MEDICAL SUPPLIES TO NORTH AND SOUTH VIET NAM

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I might also try to answer a question asked yesterday by the hon. member for Regina-Lake Centre having to do with the refusal of permits for the export of medical supplies to North Viet Nam. I was then under the impression that the hon. member was badly informed. I am now in a position to confirm that the facts are that export permits have been granted to the Canadian Unitarian Medical Aid Committee and other organizations that furnish medical

supplies to North Viet Nam. Antibiotics, drugs and medicinal preparations in dosage form, and dental and surgical apparatus, if they are goods that originate in Canada, may be exported to North Viet Nam under a general permit. In the case of goods of United States origin, however, it is not the intention of the government to grant re-export permits that will authorize the evasion of the United States export control regulations.

Mr. Benjamin: On a question of privilege—

Mr. Speaker: Order. I understand the hon. member is rising on a question of privilege.

Mr. Benjamin: Yes, Mr. Speaker. That was the point of my question yesterday, the export from Canada of medical supplies manufactured in the United States. The minister has confirmed the reasons for my question and therefore I was perfectly correct in my information.

VITAL STATISTICS

SUGGESTED AMENDMENT OF ACT TO ABOLISH COMPULSORY ANSWERS TO SOME QUESTIONS

Mr. Jack Cullen (Sarnia): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. I wonder if the minister would give consideration or is consideration now being given to amendments to the Vital Statistics Act so that answers to surveys conducted by the Dominion Bureau of Statistics in many cases can be on a voluntary basis and not compulsory with persons subject to heavy fines for failure to comply, as is the case at present?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am under the impression that there is no legal obligation to answer questions on vital statistics, for obvious reasons at times.

An hon. Member: What is her name?

Mr. Pepin: The difficulty we have had in recent times for example with respect to a previous question raised by the hon. member for Oxford, if I recall correctly, was that on some occasions the investigator happened to be a neighbour or a person very closely associated in some way with the person being questioned. In these instances there are possibilities, for example, of appealing to the regional officer of DBS or to the Member of Parliament who could in these circumstances bring it to the attention of DBS or the minister. Remedies are usually found but I shall investigate further in the particular case the hon. member will certainly want to bring to my attention.

Mr. Cullen: The minister has confirmed that the advice I gave yesterday not to answer some of the questions—

Mr. Speaker: Order, please. The hon. member for Parry Sound-Muskoka.

POLLUTION

MERCURY—DEVELOPMENT OF SYSTEM OF COMPENSATION

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, my question is for the Minister of Fisheries and Forestry but in his absence I shall direct it to his Parliamentary Secretary. In view of continuing concern over mercury pollution in various Canadian waters, is the government developing a system of compensation by way of grants, advances or loans to persons who suffer because of government action in closing down their means of livelihood?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, first of all I want to say that we do not hope to be developing assistance but we do hope that the action of governments, provincial and federal, will clean up this pollution problem without costing this government any money. We organized in Ontario a system of advances to fishermen to carry them over this unpleasant time. We are optimistic that the polluters will take care of the cost and stop polluting. This is our main concern, and concentrated efforts are being made in this area right now.

Mr. Aiken: Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources in connection with my previous question concerning grants to persons suffering from the loss of their livelihood. Is a system being developed which will apply generally, not just to fishermen but to others who suffer from the loss of their livelihood as a result of government action in preventing pollution?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I do not know of any general system being evolved with the exception of the precedents at Placentia Bay and Lake St. Clair. On the current problem with regard to mercury pollution, a joint federal-provincial committee of officials

has been formed, and persons who have suffered injury as a result of the closing of the fisheries are making representations to that committee on which will be based some form of aid until they can recover damages from the polluters.

Mr. Aiken: Mr. Speaker, a further supplementary question. Will the system being considered now apply generally throughout Canada or is it just in connection with the Lake St. Clair fishermen?

Mr. Greene: Mr. Speaker, strictly speaking this comes under the Department of Fisheries and the loans made in Placentia Bay were under the authority of the Department of Fisheries. I think this is what is being done at Lake St. Clair, but I do not believe there is any broad policy going into effect in other areas at the present time. If there is some wider policy applicable to all Canada, I am sure it would be announced in the House in the normal manner or by legislation.

NEGOTIATIONS WITH UNITED STATES ON TREATY RESPECTING CONTROL

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Has the government or the minister entered into negotiations with the United States government with a view to entering into a treaty or agreement with that country in the general area of continental pollution and pollution control?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have made representations in regard to the banning of phosphates to my counterpart in the United States, the Secretary of the Interior, but nothing has come to date of that initiative. I think the Minister of Fisheries and Forestry has stated that there was a protest sent to the Department of State in regard to pollution in Lake Erie caused from American sources in regard to mercury spillage, but I do not think there has been any formal initiative on a broader basis leading to a treaty arrangement in regard to general pollution measures.

Mr. McGrath: A supplementary question, Mr. Speaker. Is it the government's policy to seek a treaty with the United States? Otherwise our pollution legislation will have no effect without similar legislation by that country.

Mr. Greene: Mr. Speaker, I do not think there is any government decision in that regard yet. I think it is quite clear that if our measures are to be efficacious on joint waters, particularly on the Great Lakes and the St. Lawrence, there will have to be some formal arrangement with the United States or with the boundary states which probably would be most effectively implemented in a treaty so that antipollution measures are co-ordinated and that we can work together with the United States in order to achieve a better quality of boundary waters.

SASKATCHEWAN RIVER—PAYMENT OF COMPENSATION BY POLLUTER

Mr. Robert Simpson (Churchill): I have a supplementary for the Parliamentary Secretary to the Minister of Fisheries and Forestry with regard to his statement that the government was hopeful that the industries polluting our streams with mercury would co-operate. In view of the statement made by the minister on Wednesday to the executive council of the Canadian Manufacturers Association in which he emphasized the fact that the polluter must pay, I ask the Parliamentary Secretary if negotiations have been entered into by the government or if arrangements have been completed for payment of compensation by the Interprovincial Co-operative Chlor-alkali plant at Saskatoon which the minister stated earlier this year was the main, if not the sole, source of mercury pollution in the Saskatchewan River?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Discussions have taken place, Mr. Speaker, but I do not think they are finalized at this stage.

Mr. Simpson: A supplementary—

Mr. Speaker: Order, please. I have to bring to the attention of hon. members that there are just a few minutes left in the question period. We have covered only two subjects. Hon. members must realize that if we spend 20 minutes on two subjects many hon. members will be left on the sidelines at the end of the question period. I urge that we go on to another subject.

[*Translation*]

POST OFFICE

MONTREAL POSTAL DISPUTE—REQUEST FOR STATEMENT ON PRESENT POSITION

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have a question for the President of the Treasury Board.

Inquiries of the Ministry

Further to yesterday evening's meeting with representatives of employees of G. Lapalme Inc., could the minister tell us what is the present status of negotiations?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, last night we reiterated explanations about the government's offer. It was agreed to clarify the matter of seniority which is being done today.

Mr. Ricard: Mr. Speaker, I have a supplementary.

Could the minister indicate to the House whether the government is prepared to recognize the CNTU as the bargaining agent for the employees of G. Lapalme Inc., once the latter have been incorporated into the public service?

Mr. Drury: Mr. Speaker, the law provides that, as far as government employees are concerned, the choice of the bargaining agent is for them to make contingent on the decision of the Public Service Staff Relations Board.

[*English*]

URANIUM

DEVELOPMENT OF RESOURCES BY FOREIGN-OWNED COMPANIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Minister of Energy, Mines and Resources. It arises out of an announcement by the Gulf Mineral Resources Company, a subsidiary of the Gulf Oil Company of Pittsburgh, that it has found sufficient uranium in Saskatchewan to warrant the establishment of a mine and mill, provided the problem of foreign ownership can be resolved. Since this company and many other foreign-owned companies are exploring for uranium, what steps does the government intend to take to see that these developments can be proceeded with but at the same time adhering to the announcement he made that foreign ownership would be restricted to 33 per cent?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member will recall that in the statement I made announcing the government's policy in this regard there is an exception with respect to ore bodies established prior to the date of the Prime Minister's announcement. I believe the right hon. member for Prince Albert asked me about that at that time. That exception was put in specifically so that where an ore body has been found and where in the normal course they would be permitted to go ahead, the decision will not have a retroactive effect which would prevent them from proceeding. It is believed that the Gulf development in Saskatchewan falls within these guidelines. I will be seeing the president of that company on Monday when he will be presenting his plans.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In the event this turns out to be a very large operation, which we all hope it will, does this mean that the 40 per cent of the uranium industry now controlled by Canadians will decline and that the percentage of Canadian control of the uranium industry is likely now to drop below the 40 per cent level which was in effect at the time the Prime Minister made his announcement?

Mr. Greene: That is a hypothetical question to some degree because we do not really know what this new mine represents or what its ore resources are. It was believed at the time of the announcement that it would be very unfair to make the rules have a retroactive effect. It was felt that this company, although not a Canadian company, which had brought this mine to the virtual stage of development should have the same privileges as existing companies and that it would only be in the event of sale that the new regulations would come into effect. If this is a very large mine, it might have the effect to which the hon. member referred. However, it was felt that this would be the only fair way because of prior development.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary—

Mr. Speaker: Order, please. There are three minutes remaining in the question period. I urge hon. members to co-operate with the Chair and give me an opportunity to recognize three or four members before the end of the question period. Perhaps the very important matter raised by the hon. member might be continued on Monday.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have one short question. Are the regulations which I understand are to be issued under the Atomic Energy Control Act ready and will they be tabled fairly soon?

Mr. Greene: They are not ready, Mr. Speaker. However, we are giving them critical appraisal and moving ahead with them as quickly as possible. I hope they will be ready shortly.

AIR TRANSPORT

UNLICENSED FLYING TRAINING OPERATIONS

Mr. Jerry Pringle (Fraser Valley East): I have an urgent question for the Minister of Transport. Is the minister aware that flying training is being conducted at various airports in Canada by operators who have not applied for or received an air transport licence? They are in direct competition with duly licensed flying schools operating under existing stringent rules as prescribed by the Department of Transport and the Canadian Transport Commission.

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, it has been called to my attention that there have been allegations of the nature outlined by the hon. member. I have asked the Canadian Transport Commission to investigate. I will report as soon as I have an answer from them.

Mr. Pringle: A supplementary—

Mr. Speaker: Order, please. I am afraid there is not time for supplementaries.

INQUIRY OF THE MINISTRY

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have an urgent question for the Prime Minister. Will the Prime Minister use his good offices over the weekend to come to the aid of expelled John Lennon and thus prevent a break-up of the Beatles?

CANADIAN SOVEREIGNTY

THE ARCTIC—U.S. REACTION TO CANADIAN POLICY

Mr. Eldon M. Woolliams (Calgary North): I wish to ask a follow-up question to one I asked yesterday. The Prime Minister said in reply to my question:

> I do not see in here any denial of the substance of what the hon. member has just mentioned—

In view of the apparent conflict that now seems to exist between the Secretary of State for External Affairs and Mr. Robert McCloskey with reference to this matter, has the Canadian government received any official formal protestation from the United States with respect to the Arctic legislation presented to the House and with reference to Canada's position on sovereignty in the north?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): As I said yesterday, Mr. Speaker, I know of no such formal protestation having been made. I can repeat the same thing this morning. I have not been in contact with the minister. I undoubtedly would have been told if there had been a formal protestation.

Mr. Woolliams: May I ask a supplementary?

Mr. Speaker: The hon. member will recognize the fact that I disallowed a supplementary by the previous speaker.

Mr. Woolliams: This is an important matter. I waited 30 minutes to put it before the House. It is going to be debated on Monday.

Mr. Speaker: I will recognize the hon. member if there is unanimous consent of the House when we have completed the question period.

PUBLIC SERVICE

EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING—REPORT OF ADVISORY COMMITTEE ON PAY AND EMPLOYMENT CONDITIONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Treasury Board. It relates to the advisory committee on the pay and conditions of employment of public servants excluded from collective bargaining. The committee, under the chairmanship of the Hon. Mr. Clyne, was appointed some time ago by the government in response to a recommendation by a joint parliamentary committee. Can the President of the Treasury Board say whether the government expects a second report from the Clyne committee at an early date? If I were permitted to ask a supplementary question, I would ask if the minister will expedite this matter?

Hon. C. M. Drury (President of the Treasury Board): Mr. Clyne and his committee have been asked to make a further review to bring up to date their recommendations. I am not sure of the date by which we expect to receive the results of such a review but I assure the hon. member the committee is being pressed to complete their work.

NORTHERN AFFAIRS

USE OF DRIFT STATIONS IN ARCTIC RESEARCH

Mr. Steven E. Paproski (Edmonton-Centre): Mr. Speaker, on December 12, 1969, as report-

ed on page 1901 of *Hansard*, I directed a question to the Minister of Indian Affairs and Northern Development. I should like to direct it now to the Minister of Energy, Mines and Resources. It reads:

In view of the intensified Arctic research by the Soviet and American governments through the use of drift stations, will the minister take an early opportunity to inform the House what Canada is doing in this area?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): As the hon. member has indicated, this concerns a matter which is largely within the jurisdiction of the Department of Indian Affairs and Northern Development. However, I would be glad to draw the attention of the minister to the question the hon. member has posed and provide the information for him.

Mr. Paproski: A supplementary question or, if it is not supplementary, a related question. Most of us have read in the newspapers that people from the minister's department—and there was reference to his Parliamentary Secretary—were in Venezuela or in the Caribbean looking at currents—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. As was suggested earlier, perhaps the hon. member for Calgary North might be allowed to ask a supplementary question now concerning a matter which is obviously of importance.

CANADIAN SOVEREIGNTY

THE ARCTIC—U.S. REACTION TO CANADIAN POLICY

Mr. Eldon M. Woolliams (Calgary North): In view of the answer given to my question, in which the Prime Minister said he was aware of no firm or formal protest by the United States, would the right hon. gentleman, in his official capacity as Prime Minister of Canada, determine whether the United States has made a formal objection with reference to the position we have taken with regard to the Arctic and the legislation which is to come before the House on Monday? I ask this having in mind the fact that Robert McCloskey says there has been no consultation, while the Secretary of State for External Affairs says there has been.

Right Hon. P. E. Trudeau (Prime Minister): There has been consultation. There has been a fair amount of discussion with United States officials on this question. As to whether there will be a protest, or whether there has been a formal protest, let me say I am sure that if one is made I will hear about it sooner or later.

Mr. Speaker: Orders of the day.

AIR TRANSPORT

UNLICENSED FLYING TRAINING OPERATIONS

Mr. Jerry Pringle (Fraser Valley East): On a point of order, Mr. Speaker, with respect, I seek the unanimous consent of the House to ask a supplementary question which I deem to be most important to the success of the smaller companies which are encountering a great deal of difficulty.

Some hon. Members: Agreed.

Mr. Pringle: In view of the fact that properly licensed flying training schools are required to invest heavily in order to qualify for air transport licences, can the minister assure the House that the regulations will be revised to plug existing loopholes before properly licensed operators are forced out of business?

Hon. Donald C. Jamieson (Minister of Transport): I am delighted to reassure the hon. member, in view of his legitimate concern over this matter, that either amendments or new regulations will be introduced as soon as possible to correct the situation he describes.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—ALLEGED FAILURE OF GOVERNMENT EMPLOYMENT, MANPOWER AND LABOUR RELATIONS POLICIES

Mr. J. Edward Broadbent (Oshawa-Whitby) moved:

That this House condemns the government (a) for its failure to provide a program of full employment, (b) for its discriminatory and ineffective manpower policies, and (c) for its destructive labour relations with its own employees.

He said: After the election of June, 1968, the Canadian people, for the first time in history, had reason to believe they had a government which would be led by a man who combined in his personality two very desirable qualities, intellectual competence and moral concern.

Thousands of Canadians voted for a party which would be led by this Prime Minister (Mr. Trudeau), in the expectation that it would help bring about meaningful social and economic reform. What we have seen, what Canadians from one coast to the other have seen, is a government which has demonstrated not moral and intellectual innovation and concern but rather moral and intellectual bankruptcy.

In a democratic society, people have legitimate expectations that their government will be concerned with the improvement of the spiritual and material conditions of the majority particularly of the poor. However, the government has demonstrated a complete incapacity—to put things in the best light—or callous indifference—to use the most extreme terms—concerning this responsibility.

In the time available to me, I should like to demonstrate this contention by referring to three areas. The first concerns the general economic policy of the government; the second, its manpower policies, which I maintain are discriminatory and ineffective, and, the third, its labour relations with its own employees. Others in this party will, later in the debate, enlarge on these points.

Let me first of all say something about the general economic policy of the government. As all economists in the western world know, there are two general approaches to managing the economy of an industrial nation. We can either concern ourselves with maintaining price stability or we can commit ourselves to a policy of full employment. In Canada and the United States, the prime concern of governments has been with price stability. The result is that we have experienced a significantly higher level of unemployment in every year since the war than countries in western Europe which have chosen the alternative policy, namely, the creation of conditions of full employment. I refer to the writings of Mr. John Deutsch, former head of the Economic Council of Canada. In a recent article he said just what I have said.

There are ethical and moral choices which can be made. Governments are not bound by deterministic happenings in our society. This government has consistently opted in favour of price stability, though this has resulted in high rates of unemployment, 5 per cent as against 1½ per cent in a country like Sweden.

• (12.10 p.m.)

We are now faced with the morally reprehensible highest level of unemployment in five years. Let me begin at the lowest figure, that of Ontario, which is 4.5 per cent, far exceeding the level that would be tolerated by any government in western Europe. The prairie provinces have 5.3 per cent unemployment; British Columbia 6.7 per cent, Quebec 8.7 per cent, the Atlantic provinces 11 per cent, and in Newfoundland the fantastically and tragically high rate of possibly 22 per cent. The national average of 6.5 per cent is, to repeat, the highest level in five years.

Of particular significance in these figures is the one for the youth category, the young members of the labouring force, the rate of unemployment being some 13.5 per cent. This is the most rapidly growing sector of our unemployed and the rate is bound to increase, I suggest, after June when more students come on to the labour market.

The meaning of this condition is callously disregarded by the government. Unemployment means a sad life for those affected. It means the absence of a sense of satisfaction that a man or woman obtains from contributing his share of labour to society. It also means, of course, a serious lack of income, thus affecting the well-being of his dependants. This means, in turn, a necessary decline in the sense of happiness or well-being of the family and its environment. This is a situation that cannot be cynically dismissed. It should not be regarded simply as one little statistic with which we have to live. The point is that other governments in the world do not tolerate this kind of unemployment rate. This government does.

I think that it is now being seen that there is moral inadequacy on the part of the government, a moral bankruptcy. This is being seen by all, I suggest, but the most hackneyed of Liberal partisans. But what is not so readily seen is the intellectual bankruptcy that has gone with this. Even if one were to be primarily concerned with inflation, the diagnosis of the present government is profoundly wrong. We are not in an inflationary period which has resulted from the under production of goods confronted with an excessive demand.

That was the condition in the early 1950's. The Minister of Finance (Mr. Benson) referred to this fact in his speech a short time ago and he tried to draw a parallel with the present. The fact is that today we have a surplus of goods. One has only to come to my constituency to see the number of automobiles there are around. The same point can be made in many ridings in this country. There

is an abundance of goods. But we have people out of work who cannot purchase them. I suggest a parallel between now and the early 1950's simply is not valid.

Another indicator that one would assume an intelligent man would look for to see if we were significantly threatened by inflation would be the export figures. The evidence, however, is encouraging. For example, I checked the figures for one month ago and found that our exports are up 16 per cent over the same period a year ago. So that our exports are not diminishing.

The third example of the intellectual incompetence and moral dishonesty of the government on the question of inflation is the refusal to state openly to the Canadian people that the overwhelming cause of our inflation is the almost virtual integration of our economy with that of the United States. When the United States is undergoing inflationary pressure, we get it too as an inevitable by-product, and it is time that the government said so honestly.

If the government wanted to do something about inflation, the first move in a serious, long-run strategy would be to take measures to create an independent economy, or an economy as independent as one can have in a modern world. The hon. member for Waterloo (Mr. Saltsman) and my other colleague from Regina East (Mr. Burton) recently issued a statement on the subject of inflation and dealt with this problem at some length. I am not going to repeat their cogent arguments, but I urge any member of the House and anyone who is interested to check with that source to see how we may begin in a serious way to get a more independent economy. If we are to concern ourselves with inflation, then this is an essential first step.

There are, of course, other matters to be dealt with. One is not arguing that there should be no concern with inflation, or that one should not be concerned with people who are confronted with its results. Those on fixed incomes need to be protected by a law that provides for permanent escalator clauses in private and public pensions. We require better trade union legislation in the provinces that will provide for increases in trade union memberships so that workers are in a better position to get higher wages through the process of collective bargaining, thus enabling them to deal with an essentially rigged market structure. There are other measures too that could be taken to protect those people who are now most seriously affected by inflation.

However, the point that I wish to emphasize is that inflation is not our major problem. It is not or should not be our major social concern: this should be maintaining full employment. It is time that this government woke up to this fact and began to deal with the real question that affects the vast majority of the people of this country, namely the lack of jobs. In view of the two-year time period, and because of the minister's prime responsibility in this area, I say in all seriousness that the government should demand now the resignation of the Minister of Finance (Mr. Benson). It is absurd for this country to continue with that man heading the finance department, given the results that the department has produced for this country.

I want now to leave that area and say something about our manpower retraining programs. Before I do so, I should like to point out that a sensible economic policy for this country is one that constitutes a coherent whole. We must not only have the government committed to a plan of full employment as a matter of general economic policy; we must also have a government that seeks to establish manpower retraining programs that mesh carefully with that policy. Instead, of course, we have a government that is not concerned with full employment at all, and which produces a hodge-podge of manpower retraining programs.

The present minister of manpower has indicated that the manpower retraining programs are, to quote him, "dedicated to helping Canadians get better jobs". The minister has said that retraining programs "are designed to fill the gap between capacity and skill". I take that quotation from a press release dated December 5, 1969.

In introducing the Adult Occupational Training Act on March 3, 1967 the present Minister of Regional Economic Expansion (Mr. Marchand) said the following, as reported at page 13738 of *Hansard:*

> We want to provide a second chance to the people who need it most. These are the men and women who missed the chance to acquire a skill during their youth—

• (12:20 p.m.)

In terms of the stated objectives on the part of two present ministers, the manpower program has been a disastrous failure, a failure largely I would suggest still unnoticed by the majority of Canadians. Why do I say this?

First of all, those who need the training most are either ineligible or not permitted to take the training for a long enough period of time.

For example, all those men and women with less than grade eight education who, by the way, constitute some 43 per cent of our labour force—a shocking statistic and the worst record of any advanced industrial nation in the world—find themselves in difficulty. This group of Canadians are crucially important if we feel we want to do something about improving conditions in our country.

Let us consider those with less than grade eight education in conjunction with the regulations in respect of this program. We immediately see the bind in which these unfortunate people find themselves. According to departmental regulations a man can take only 52 weeks of academic training plus 52 weeks of training in a skilled trade. However, and this is the catch, to take training in a skilled trade one must have a grade ten level of education. What does a man do if he starts with a grade seven, six, five or even a grade four level of education? It is impossible for such a man or woman to attain a grade ten level in 52 weeks. If the individual is lucky he may attain a grade nine level of education, but most do not get even that far.

What does happen to the few who begin our manpower retraining courses with that kind of low level of education? We find that at the end of the year we have unemployed people with a grade nine level of education instead of unemployed people with a grade six level of education. Is this any way to treat that part of our population which I suggested at the outset should be of prime concern to a democratic government? What is needed is a change in the regulations which would permit such men and women to go beyond the 52 weeks if an extended time period is required for them to attain the grade ten level. At that time the individuals would be able to take one of our trade courses.

The favourable statistics provided by the government about these courses are misleading. The fact is that only people with higher levels of education tend to take the courses because they know they can complete them. The others know that unless they have almost a grade ten level they do not have a chance to take a trade course. So, the trotting out of a lot of statistics regarding the ability to get jobs as a result of taking these courses is a profoundly misleading thing. We have to consider the thousands of Canadians with less than a grade eight education who do not take these courses because they sensibly realize they would reach a dead end. The time period of the courses must be extended to enable these people to be re-educated and eventually obtain better jobs.

One important category of people excluded from this training program is the young working group. This group is effectively excluded by the requirement that to receive training with allowances an applicant must have been a member of the labour force for three years. How could a young boy or girl aged 17 or 18, out of school and no longer a dependent, qualify for such training? Obviously such an individual could not qualify. This is one of the reasons I suggest this category of unemployed people between the ages of 16 and 19 is increasing and represents a vivid unemployment statistic. These people are out of jobs and are ineligible for our retraining program. This situation must be changed immediately.

This same regulation effectively excludes the majority of Eskimos, Indians and Métis who have never been members of the labour force. These native people represent a fair percentage of the population of this country. They are Canadians and should have the same rights as the people in my constituency. How can they have the same rights when the requirement is that one must have been a member of the labour force for three years before being eligible for financial assistance when taking these courses? Our native people, in short, are effectively excluded from this program.

Another failure of the manpower program is to be found in the level of allowances provided. In 1969 the average level of allowances paid to a recipient with three children was $71 per week. This is below the poverty level in this country for a family, according to the Economic Council of Canada. We say to a man we will retrain him but he must keep in mind that he will have to live below the poverty level while he is being trained!

Furthermore, according to the Economic Council of Canada in its fifth report, the average family living at the poverty level has four children. The requirements of the manpower retraining scheme prohibit allowances for more than two dependants. This provision excludes the average family man who we might feel in statistical terms should be eligible. Those who are most in need of manpower training, poor large families, are effectively excluded from meaningful financial sup-

port because the level of allowances does not provide for the support of all their children.

The point is that the manpower retraining program would be excellent for a middle class family but very few of the people in this category need such training! For this reason, we need the following changes. Allowances must be brought up at least to the poverty level for any family, whatever its size, a member of which is taking part in this manpower retraining scheme.

The third failure of the manpower retraining program is the result of it being operated in what I can only describe as a context of administrative chaos. This point is well documented in the report of the Association of Colleges of Applied Arts and Technology of Ontario dated December 1, 1969. Let me quote from that report as follows:

> The Canada manpower centre and the local educational facility operate, as had been said, in administrative vacuums, with little or no constructive consultation at either the policy formulation level, or in the day-to-day administrative routine. Apparently the federal department feels its prerogatives are better protected with things this way, making the erroneous assumption—we would presume—that education and retraining can be purchased in the same perfunctory way the housewife buys her weekly groceries.

That quotation does not come from a partisan source, but rather from a serious group of teachers and administrators. It represents an objective assessment of the manpower retraining program. Further on in the same report it is clearly demonstrated that there is absolutely no attempt made to co-ordinate the planning of programs of the federal manpower department, which is the ultimate executive and financial authority, with those of Ontario manpower authorities who provide the educational facilities. This is a serious economic matter. Quite apart from other shortcomings, there is no adequate long term forecast in respect of manpower needs. I emphasize the word "adequate" because there are of course long term forecasts.

• (12:30 p.m.)

The point made in this study is that there is a complete failure on the part of provincial and federal authorities to integrate their planning so that the real manpower needs of Canada are met. The inevitable result of course is that countless Canadians are being trained for jobs which do not exist, and that there are jobs presently available on the market for which there are not trained men.

Another failure of the manpower department is the colossal lack of leadership in respect of the retraining programs. It has failed to encourage new approaches or help those imaginative efforts which have existed outside governmental departments.

I should like to refer to the particular case of Frontier College. This college is a private institution dating back to 1899. By an act of Parliament of 1922, this college was given a charter and special recognition by the government. The purpose of Frontier College is to serve that category of people to which I referred a few minutes ago, namely those who live on the outskirts of the central core of our economy such as the Eskimos, the Indians, workers on the railways in outlying districts, loggers, and so on. This college has had a highly successful program for bringing education to these people and for bringing them community programs.

Frontier College is widely respected by every authority in the field throughout the country. I see that time does not permit me to give some detailed examples of the work done by this college. I only mention that they have done exceptional work in the Northwest Territories, Newfoundland and other parts of the country. When the administrators of this college requested this government for a mere $50,000 to carry on this work, the manpower department refused their request and gave them a piddling $5,000. Another $5,000 I understand came from the Department of Labour. Here, we have an effective group of young people, in the main graduates, who give up a substantial income amounting to thousands of dollars, to work with the people whom they are teaching. They work as labourers during the day and teach at night. There are always considerable numbers of young people who apply for these positions. These people have been callously treated by this government. They have been performing a function which should be performed by the Department of Manpower in these areas, and yet they are not receiving the recognition and encouragement they should receive. Instead they have received indifference and discouragement.

I have tried to suggest that the manpower department has failed in four areas. It has failed to train those people who are most in need of training. It is not providing adequate allowances and there is administrative planning chaos. Finally, it lacks any kind of imaginative approach and leadership in respect of getting to the people in the outlying districts. Before leaving this area, I should like to mention something which should be,

but unfortunately is not, obvious to all. An intelligent manpower training program does not constitute a long-range cost to Canadians. The contrary is the case. Quite apart from the benefits it could provide directly to the people involved in this program, it has been estimated that for every dollar spent on occupational retraining $3 in economic growth for the country would result. The conclusion then, is that such training programs are both beneficial to the people involved and to the economy of the country.

I should like now to say something briefly about the government's attitude toward its employees. So far I have attempted to show that it has been indifferent in respect of the working force outside the government sector. I have attempted to show that its manpower training programs are grotesquely inadequate in terms of meeting the needs of the country and the needs of the people who require training. Now, I wish to demonstrate the lack of concern on the part of the government, and its misdirection, in respect of its own working force. Recently a survey was made among the employees of the government. What has this survey turned up? I have time merely to cite a few examples. The first is a common one.

Mr. Speaker: Order, please. The hon. member's time has expired unless he has leave of the House to continue beyond his allocated time.

Some hon. Members: Agreed.

Mr. Broadbent: Thank you, Mr. Speaker. The first example may appear to involve a trivial point. Nevertheless, it is something which affects almost every civil servant in this country. There are reports that there have been significant delays in providing back pay. According to the regulations, back pay should be provided within a period of 90 days. Reports have been received in the last few days to the effect that many civil servants in this country have waited as long as 10 months to receive their back pay, money which is legitimately owed them by the government. This is a single point, but it does suggest something concerning the attitude of this government toward its employees.

Consider also the postal workers. I shall say nothing about the Montreal situation.

Recently a union official in my area pointed out to me the present situation in respect of current negotiations with the government. First of all, the government does not wish to provide job security for elected union officials. This, of course, is essential. If a union officer is to do his important job for the men whom he represents, I suggest it is necessary that he have job security so that if at some time in the future he should not be re-elected to his union position he could return to his employment. Most good employers in the private sector provide this as an automatic right. The federal government, in the postal sector at least, seems to be quite callous on this point. Second, the Post Office Department has recently gone over the heads of the negotiating team in respect of its own employees. This is a typical example of the bad management practices which undermine serious constructive collective bargaining. The Prime Minister referred to this in a negative way in respect of another matter some days ago. He should have a look at the Post Office.

Another example is that of the Customs Department. There are 700 outstanding grievances in this department. Many of these are of a routine nature, but some are not. The point is that in this department every grievance goes the full route. Normally, there are four steps through which any grievance may go, but it need not go through all these steps. If the grievance is not settled in step one, then it goes to step two. This department, however, has insisted that every grievance go the full route. There were actually some 1,400 grievances in that department but believe it or not the department lost about 700 of them and there is no longer, therefore, any record. One might ask what this indicates in the way of attitude toward, and respect for, people.

The Public Service Staff Relations Act is deficient in a very significant way. At the present time government workers can have arbitration on three or four matters only—rates of pay, hours of work and leave entitlement. There is omitted from that act important items which currently concern working people. These are retraining, technological change, work conditions, job security, and job reclassification. This act needs to be changed to include these matters within the arbitration category and needs to be changed soon.

• (12:40 p.m.)

The last department to which I wish to refer is the Department of National Defence. There are many within the department who believe that the government now has a five year plan, a phasing out operation throughout this country. The government knows when they are going to close down station X or station Y, but they are not telling the work-

ers. This means that if a station is closed down, a worker can be transferred to another station, and within another two years that one can be closed down, too. The point at issue is the very important matter of the right of the working man in this country, regardless of whether he is a government employee or a private worker, to know something about his future. The point at issue is the government's refusal, even when it has information available to itself, to tell its employees what its management plans are.

Why, I ask, can the government not tell in advance the employees of the Department of National Defence at different stations across the country that the station will be closed down? Sure, there will be some political reactions, but let us face them. Let us have a discussion of whether a station should or should not be closed down. What we cannot do, and what the government should not tolerate, is the kind of practice which leaves the working man, so dependent on the power of others, uninformed about his future. Those of us who perhaps on the whole have superior education, and are in superior income positions, are not involved in this kind of threat to our future. We are in a position to better control it. We are lucky. The government however has an obligation to make its plans known in advance to those in less fortunate positions and it is failing to do so.

The last point I want to make about the government's attitude toward its own employees concerns its austerity program. Clear evidence is provided by a number of departments that what the government has done has been to force reclassification on people. In some cases it forces people to go down to a lower category or, if it wants to raise the incomes of certain officials, it effects lay-offs of others. The point is that this austerity program enforced by the government is implemented in a unilateral way by the departments, thus affecting very unjustly the employees involved. The question of reclassification is not negotiable. It is unilaterally imposed and it is the workers who suffer at the hands of officials who are given such arbitrary power by a government which is not basically concerned with what should be regarded as the ordinary rights of citizens and of working people everywhere.

I thank the House for giving me this extra time, and I will not go into more detailed comments on other government departments. Other members from this party will pick that up later in the debate. I hope I have said enough to make it clear that the government itself, instead of being an outstanding example of what an employer should be in this country, is setting a lamentably low standard.

This government, as I said at the outset, is led by a man who many of us thought had both moral and intellectual gifts of a high order. What I hope to have made clear is that if we consider the well-being of the average or poor Canadian, if we look at the government's general economic policy and at its manpower training programs, if we look at its attitude toward its own employees, we must conclude that we have a collection of men running this country who are committed simply to bureaucratic efficiency at whatever the cost, a collection of men quite indifferent to the legitimate aspirations of the vast majority of our people. I say therefore that the Prime Minister deserves to be condemned by all of those in our country who have any sense of moral justice.

Mr. Robert Muir (Cape Breton-The Sydneys): I want to speak briefly on the motion introduced by the hon. member for Oshawa-Whitby (Mr. Broadbent). The motion reads:

That this House condemns the government (a) for its failure to provide a program of full employment,

And indeed, they should be condemned.

(b) for its discriminatory and ineffective manpower policies,

Here again, for the reasons outlined by the previous speaker, they should be condemned.

and (c) for its destructive labour relations with its own employees.

I do not plan to go into detail in respect of all the different departments. Some of them have been mentioned by the previous speaker. If anyone had any doubts as to the relationship between the government and the employees of the government, all he has to do is think about the man who has great persuasive powers and who is always so friendly, courteous and kind to everyone, including the workers. I refer to the Minister of Communications (Mr. Kierans).

Some hon. Members: Hear, hear.

Mr. Muir (Cape Breton-The Sydneys): I hear applause from a displaced person across the way. Undoubtedly, he misunderstood my words. They were said with complete sarcasm and meant exactly the opposite. He does not have sense enough to understand it.

Mr. McBride: But you are never sarcastic.

Mr. Muir (Cape Breton-The Sydneys): The displaced parson across the way does not seem to understand English.

Mr. McBride: You are a nice fellow at heart.

Mr. Muir (Cape Breton-The Sydneys): He will continue to emit sounds while seated and then get up a little later to try to deliver a sermon, something which he did not seem to do so successfully in past years. In any event, in reply to the member from somewhere—McBride is the name but one sees him so rarely here that it is difficult to know where he is from—

Mr. McBride: I am here every day.

Mr. Muir (Cape Breton-The Sydneys): In any event, I will say to him in reply that a fellow by the name of Eisenhower, a great man, once said that in politics one should take everything seriously except oneself. I commend that to him because later he will have an opportunity to speak if he wishes and we will be very glad to listen to one of his crazy sermons.

Mr. McBride: I have been trying to be nice to you.

Mr. Muir (Cape Breton-The Sydneys): As someone once said in this House: When you are going after big game you are not dissuaded by rabbit tracks, which seem to be appearing across the way. Mr. Speaker smiles and nods his head, so I am sure he feels the way I do.

Mr. Lewis: You cannot drag in the Speaker; that is very improper.

• (12:50 p.m.)

Mr. Muir (Cape Breton-The Sydneys): May I say, in rising to say a few words on this motion, that we find the economy to be in great trouble, although I am sure that members across the way will not agree with us on that. We have, to put it mildly, serious inflation. We have a growing balance of payments problem. Taxes have increased to the point where Canadians are paying the highest they have ever paid in peacetime. Then, of course, we are paying farmers not to grow wheat, and this again creates great unemployment. We are paying them not to grow wheat, despite the fact that there is so much starvation in the world today.

We are confronted with news headlines like, "Rising Jobless Find Government No Help," in the Ottawa *Citizen* and "Unemployment Starts to Mount"; "Jobless Highest Since 1964."

Mr. Comeau: And "Cosmos Closing Down."

Mr. Muir (Cape Breton-The Sydneys): Yes, firms closing down all across the country. Recently a plant in Cornwall closed down, as did the Dunlop Tire plant in Toronto, throwing 600 out of work in one case and I believe 800 out of work in the other. We have a plant closing at Yarmouth, Nova Scotia, or at least Cosmos is talking about closing, and the Minister of Industry, Trade and Commerce (Mr. Pepin) has not given us a policy with respect to these situations.

Mr. McBride: Oh, oh.

Mr. Muir (Cape Breton-The Sydneys): I, Mr. Speaker, would gladly yield the floor if this supercillious creature across the way, the disjointed parson, has something to say. Perhaps he will say it a little later. If we are going to listen to his interjections, I call on Your Honour to ensure order in the House. It would appear he likes to remain seated on whatever little brains he has, and yak at the same time. There is nothing comes out of the uppermost part of him, so it would appear it is all coming from the other direction. So, Mr. Speaker, if I could prevail on you, would you try to straighten out this poor individual? Of course, he is an expert. He has been here for a long period of time, and he knows the rules so well.

Mr. Comeau: He is a Liberal as well.

Mr. Muir (Cape Breton-The Sydneys): That explains it.

In any event, Mr. Speaker, I would think that the government, in view of what we see transpiring from day to day, have such a disregard for our long-cherished parliamentary process that they may well be wondering why the hon. member for Oshawa-Whitby (Mr. Broadbent) would have such gall as to bring in a motion condemning them for their failure to bring in a program to provide full employment. For once, I might be tempted to agree with the government because, while we engage in this debate here, we know that the government already stand condemned of this charge by the people of Canada. All members of this House meet people everyday who are complaining about, condemning and damning the actions of this government.

On the one hand, the government has virtually put a plan into force to create unemployment in order to combat inflation. I do not

know if all the economists agree with this position, but certainly it seems a weird, strange idea to induce unemployment in order to combat inflation. There surely must be some other method. We can quote endless statistics in this debate showing how the government have brought misery into the lives of countless thousands of Canadian citizens. However, I do not think that is the answer because the government have a well-trained habit of hiding behind and, if necessary, of distorting statistics—as mentioned by the previous speaker.

We must look beyond the statistical data related to this scandalous issue and so must the government. While the government may attempt to hide behind the statistics, I wonder how long and how well they can hide behind the stares of the unemployed searching vainly for work, behind the misery of the young, who are finding quickly that opportunity is virtually non-existent today. People who are coming out of university cannot find jobs and students cannot find summer jobs. The government cannot hide behind the questions of the man thrown out of work in the prime of his life who has been told, with the old shrugging, "Well, it's necessary so that we can give you a better life."

What is this better life to a man who cannot find a job? What is this better life, this just society? Well, maybe I am not supposed to mention that. The Prime Minister (Mr. Trudeau) recently said at Carleton University that he thought we should bury that phrase now. It served its purpose of getting him into power, so, we should quietly put it away. Yes, the government is already condemned, and condemned by its very arrogance in its approach to this problem. On its own admission, it stands guilty of the charge. Hasn't it admitted that it must create unemployment to defeat inflation, and hasn't it defended this plan? Well, we still have inflation, and the highest unemployment rates for six years.

How far does the government intend to go in boosting unemployment in this land of ours? Is it to continue? Is unemployment to go higher. The Prime Minister, in a pre-Christmas statement before he went skin-diving, or doing some skiing, or taking some other vacation of the many that he has had in the period of a year—

Mr. Pepin: That is cheap, Bob.

Mr. Muir (Cape Breton-The Sydneys): The Minister of Industry, Trade and Commerce should not comment.

[Mr. Muir (Cape Breton-The Sydneys).]

Mr. Knowles (Winnipeg North Centre): There was nothing very cheap about it.

Mr. Comeau: They are expensive trips.

Mr. Muir (Cape Breton-The Sydneys): Yes, they are not cheap. However, the Minister knows we are telling the truth and that is why he resorts to the statement, "That is cheap, Bob." He does not mean that. Smiling Jack is always smiling, and he does not really mean that. He knows it is unfortunate that we have a Prime Minister who is so happy and so willing to go on so many vacations. But when there are problems, great problems, surely he should not be always out of the country or going on these many trips.

I say that in all sincerity. I think he should stay around here and try to solve these problems with his great expertise, his great knowledge, and that amazing staff which he has. One wonders how he finds time to speak to the 75 members of the staff that he has in his office. I suppose they speak to each other, and one asks, "What are you doing". Then the other asks, "What are you doing"? and they really do not know.

The Prime Minister says he could live with 6 per cent unemployment. We are already beyond 6 per cent unemployment. He said it would not worry him. I ask what rate of unemployment is the government prepared to set as a safety limit so far as it is concerned? There is no safe limit so far as the unemployed are concerned. What is the acceptable unemployment rate now in the eyes of the government? What is the cut-off figure, a figure that might be used as a gauge by the government itself to know when the limit has been reached and that it had better think again instead of monkeying with the lives of so many Canadian citizens?

The Acting Speaker (Mr. Béchard): It being one o'clock I do now leave the Chair until two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

The Acting Speaker (Mr. Béchard): The hon. member for Cape Breton-The Sydneys.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, just prior to the luncheon adjournment I was posing a number of questions to the government with reference to unemploy-

ment. One was, what is the acceptable unemployment level in the eyes of the government? What is the cutoff figure that might be used as a gauge by the government itself to know that the limit has been reached and that it had better take action instead of monkeying with the lives of many Canadian citizens. I am sure we do not want smart alec answers like those received from the Prime Minister who, when questioned on the subject, replied, when did you stop beating your wife? We want to know how far down the road to recession the government is leading the country by using these peculiar methods to control the situation.

The unemployment situation in Canada has reached frightening proportions and to my mind it has done so as a result of misguided and muddled thinking of the first order. We know that the government can live with 6 per cent unemployment but those who think that a man can live on $30 a week should get out on the streets and talk to the men and women who are feeling the whiplash of these academic exercises that went out the window years ago. I suggest the government get out and speak with the people because it is obviously not getting the message. However, the message is being carried now in the Toronto *Globe and Mail*. A series of articles in that paper carried these headlines: "Rising unemployment appears to be an unhappy by-product of the fight against inflation. Here is how it has affected three of the 526,000 Canadians without work." I am referring, of course, to the latest in this series which appeared in the *Globe and Mail* this week.

In the lead story, we read that the roles of father and mother will be reversed shortly in the family of Gordon and Patricia Rehel, unless Mr. Rehel, an unemployed factory worker, somehow finds a job. The story reads:

> Since December they have been living with their three children on unemployment insurance of $48 a week in their 1½ story home on Natal Avenue, Scarborough.

It is said that Mrs. Rehel will go out to get work while her husband stays home looking after the children. Let me continue to quote from this story:

> Gordon blames the federal government's methods of fighting inflation for the fact he can't get a job. People are being told not to buy, so less goods are produced, so jobs disappear.
>
> Whatever else Pierre Trudeau may be, he is no friend of the working man, he said.
>
> We find it impossible to understand how they think they can better the country by putting people out of work, said Patricia (his wife).

In the second story we read that Fred Leveley is already the homemaker while his wife goes out to work as a carhop at $1.35 an hour. Says Mr. Leveley:

> I don't mind cooking. But sometimes there isn't much to cook—spaghetti, hamburger, things like that. We can't afford chickens or roasts and eat spaghetti two or three times a week.

These extracts were from the *Globe and Mail*. If we look at the Toronto *Star*, we find this story:

> What is acceptable to Prime Minister Trudeau is not acceptable to us. We will not hold still for an unemployment figure of 6 per cent.
>
> Not even in the sacred cause of fighting inflation should it be tolerated. Canada must find better ways to straighten out the economy than to let unemployment grow into a monster.
>
> A figure of 6 per cent, translated into people, means that 480,000 men and women cannot find jobs. If one allots them only one dependant each, that still means that almost 1,000,000 Canadians have been plunged into hard times.
>
> The maximum benefit a man with children can draw from the Unemployment Insurance Commission is $53 a week for 52 weeks. That works out to $2,756 for the year before a man has to go onto welfare.
>
> This is well below the poverty line for a family in Canada.

• (2:10 p.m.)

The monster of unemployment is with us. There are many, many people living below the poverty line in Canada today. Does this government really care?

In recent months there have been massive lay-offs in private industry. I referred earlier to some of these. We have had delegations of unemployed workers here from Dunlop Tire Company and, as we all know, there have been demonstrations outside this building because of blatant government attempts to smash unions which over the years have fought for the rights of workers. I am referring to the Lapalme workers and the CNTU. If hon. members have any doubts about this, I suggest they look at the Montreal postal situation. In a year when the government can unveil Information Canada to improve information services, it throws the basic communication service of Montreal into complete utter chaos. Anyone in Montreal can tell you about the problem with the mail service. Yet the government is having to pay more money to bail itself out of the mess than it would have had to pay in its Scrooge-like approach to the mail truck drivers and their union.

I wish to deal now with the manpower policies. Just how effective are these policies?

I could again quote statistics, but I prefer to go beyond that. A report prepared recently by United Community Services of the Greater Vancouver area indicates the result of their examination of Canada manpower and other employment programs. Page 22 of this report reads:

> How does the consumer feel about the efficacy of manpower services? During the past months, United Community Services has interviewed numbers of those receiving social assistance in regard to "hang-up" in the welfare system; their comment about manpower have been devastatingly critical. These criticisms are not without support, indeed, one social service administrator bitterly stated: "It is as if they had the brand of Cain on their forehead when manpower finds out they are on welfare." The Director of the John Howard Society states "Our referrals are quickly categorized by manpower as untrainable, and therefore not adaptable to their procedures."
>
> In the basic conflict within the Manpower Department between their two "clients", the employer and the employee, the B.C. regional office has opted to serve the employer. This philosophy was expressed by a manpower representative on an open-line show on December 2, 1969; he repeatedly told critical callers: "We have no responsibility to you; our responsibility is to the labour market."

The report prepared by United Community Services of the Greater Vancouver area mentions retraining programs. Here again we find evidence of discrimination.

The Acting Speaker (Mr. Béchard): Order. I regret I have to interrupt the hon. member, but his time has expired. Does the House give unanimous consent to the hon. member continuing?

Some hon. Members: Agreed.

Mr. Muir (Cape Breton-The Sydneys): Thank you, Mr. Speaker. I wish to thank the members for their kindness. I will not be very long. This Part of the report of the United Community Services of the Greater Vancouver area reads:

> Perhaps the most alarming statistic in this study is that of 27 per cent of registrants in the age group up to and including 19 who "want and could use upgrading" only 5 per cent were given manpower training courses. Present manpower regulations militate against this age group. Only those who have been out of school at least one year are eligible for enrolment in training courses, and three years must elapse before they can qualify for maintenance while training.

The member who introduced this motion today mentioned that the government had now increased to three years the time that an individual must be on the labour market before he or she can receive training. It is often the case, particularly with young people, that they must just walk the streets for three years with nothing to do. They sometimes lose their ambition in that period while waiting to receive training. The report continues:

> The absurdity of these regulations is illustrated by a Vancouver woman given an academic upgrading course by the social welfare department to help her on the road to independence; she found herself disqualified for manpower training allowances for the next three years.
>
> Of all the applicants for occupational training courses, only one in ten is accepted. It is obvious that since the primary object is to satisfy the employer, training is almost unavailable to those whose skills are least and whose income is most likely to be well below the poverty level.

In the Atlantic provinces, the unemployment rate is almost twice the rate for the rest of Canada. In certain regions, particularly in Newfoundland, it ranges as high as 20 to 22 per cent unemployment. This is not good, Mr. Speaker. It is a very sad situation. This situation is not helped by the government's policies with regard to freight rates in the Atlantic provinces. As a result of this freight rate policy prices are rising in the Atlantic provinces and, in many cases, industry is being driven out of the area because it cannot cope with the increased rates. Questions have been directed to the Minister of Transport (Mr. Jamieson) regarding this situation. He is always most co-operative and in my opinion works well with all members. I hope he will prevail upon the CNR to roll back these increases in order to assist the economy of the Atlantic provinces.

I completely agree with the motion that has been put forward. In fact I go a little farther than that. I would like to add a few words to the final line of the motion moved by the hon. member for Oshawa-Whitby (Mr. Broadbent). Therefore, I move, seconded by the hon. member for Saint-Hyacinthe (Mr. Ricard) that the motion of the hon. member for Oshawa-Whitby be amended by adding thereto the following:

> —and particularly the failure of the government to provide freight rate subsidization in the Atlantic provinces, where unemployment rates are twice the national average, in order to relieve against the hardship of high prices and unemployment.

The Acting Speaker (Mr. Béchard): Mr. Muir, (Cape Breton-The Sydneys), seconded by Mr. McCleave, moves that the motion be amended as follows:

> —and particularly the failure of the government to provide freight rate subsidization in the Atlantic provinces, where unemployment rates are twice the national average, in order to relieve against the hardship of high prices of unemployment.

Mr. McCleave: On a point of order, Mr. Speaker. The motion was seconded by the hon. member for Saint Hyacinthe (Mr. Ricard). I would have been very pleased to have been identified with it, he is the seconder.

The Acting Speaker (Mr. Béchard): The record will be changed accordingly.

• (2:20 p.m.)

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to start my remarks by reading the motion under consideration:

That this House condemns the Government (a) for its failure to provide a program of full employment, (b) for its discriminatory and ineffective manpower policies, and (c) for its destructive labour relations with its own employees.

Mr. Speaker, in the light of existing conditions, I believe it would have been difficult to find a more appropriate motion than this one which is complemented by the amendment moved by my friend from Cape Breton-The Sydneys (Mr. Muir).

Mr. Speaker, in 1965, three new men arrived on the federal political scene to join the Liberals. Until they took their final decision, these three doves, as they are called, were not known for their unflinching faith in the ideas of the Liberal party. They were identified rather with the CCF party or the NDP.

An hon. Member: Or with the Progressive Conservative party.

Mr. Ricard: Considering the past of these three newcomers, the workers could have rightly expected that their problems would be rapidly solved in the future.

The Prime Minister (Mr. Trudeau), for one, played a very active role, as everybody knows, in the famous strike of the asbestos miners. He identified himself at the time with the interests of the workers and once arrived here, as Prime Minister, the workers would have had the right to expect from him that he would take care of them in a very special manner. As far as the Secretary of State (Mr. Pelletier) is concerned, he also is recognized as an old trade-unionist because of the part he took in the CBC strike. And the Minister of Regional Economic Expansion (Mr. Marchand) made his first appearance in public life with the CNTU and achieved an enviable reputation which is recognized by everyone.

Those three newcomers on the federal scene held important positions with the unions. They therefore owe much to the working class. It is surprising, Mr. Speaker, to note that in 1970, the three doves, as some took pleasure in calling them, instead of helping the working class which had supported them, so to speak, for so many years, should have decided to turn their backs on them. Is it any wonder then, Mr. Speaker, that the reputation of those three gentlemen, each of whom holds a very important post within the Canadian government, should deteriorate constantly. Most of the workers are sorry they trusted those three gentlemen. Several of them even see treachery in the present attitude of one of them in particular, namely the Minister of Regional Economic Expansion.

I am sorry he is not here in the House now, because I have a message to convey to him on behalf of the workers of my riding which is going through a depression such as it has never known before. The words I will use might be a bit harsh. However, this must be made known, and I would not change them if he were here. I am even sorry he is not in the House, because it would give me some pleasure in saying them in his presence. Because of the roster system which has been adopted, this is not one of his days to be in the House. But I must not, because of that, be deprived of making my remarks.

Mr. Speaker, I would like to dwell for a few moments on the present situation of the working class. The most recent statistics, as published by the Federal Bureau of Statistics on February 21 last, reveal that there were at that time 526,000 unemployed Canadians. In the province of Quebec alone, there are 195,000 unemployed at the present time, which represents 8.7 per cent of the Quebec labour force. The unemployment rate for Canada as a whole is 6.5 per cent.

According to an inquiry made by the JOC (Young Catholic Workers' Association) among the young workers in the province of Quebec, there are 57,000 unemployed young people. Which means that one young Quebecer out of ten is unemployed at the present time and that young people represent 42 per cent of the unemployed in Quebec. What will happen in a few months from now? Students will begin their holidays and will also invade the labour market, looking for a job so as to be able to pay a part of their fees. It is just too bad, but many of those 640,000 new job seekers

throughout Canada will not be able to achieve their goal which is to pay much of their tuition.

• (2:30 p.m.)

The only ones responsible for that are those who sit at the present time on the treasury benches. And just to emphasize their responsibility, I just have to go through the 1965 Index of the debates of the House to see that those who were then in the opposition blamed unemployment on the ministers of that time, on the Progressive Conservative government.

I will simply mention four speakers from the Liberal party: the hon. Chevrier, Martin, Pearson and Pickersgill. You will notice at a glance that during the third session of the 23rd Parliament, the hon. Chevrier made 38 contributions about unemployment, blaming the government for not providing the necessary jobs for the Canadians who were able to work.

The hon. Paul Martin, whom I need not present, made 123 contributions here in the House to condemn the government headed by Right Hon. Mr. Diefenbaker for not taking the necessary steps to check unemployment.

I remember the Right Hon. Mr. Pearson, the Leader of the Opposition at that time, who on 34 occasions, took part in the debates of the House to upbraid the Progressive Conservative members for not providing the Canadian workers with jobs. He was supported by the hon. Pickersgill who took the floor on 34 occasions also to blame the government for the ills that plagued the Canadian workers because of lack of jobs.

I shall not mention the remarks made by other members. I was here at that time and unemployment was the curse of the day then. Today, we are witnessing a situation which is strangely similar to that which prevailed when the Liberals were on this side of the House. What answer do they suggest?

What is the Cabinet doing now to fight unemployment? Nothing at all. They leave to their own devices heads of families who lose their jobs because the government is failing in its duty.

Mr. Speaker, I should like to take a few minutes to deal more particularly with the sorry plight of our workers. I do not want to overdo it, but I shall simply relate the facts as they are.

At Saint-Hyacinthe, in my riding, conditions are so serious that people attending church services last Sunday were urged to pray so that unemployment will end and that our leaders will be successful in their fight against it.

Furthermore, I want to put into the record a letter signed by the highest religious authority in the Saint-Hyacinthe diocese, his Excellency Bishop Sanschagrin and sent to the hon. Jean Marchand, Minister of Regional Economic Expansion. The letter reads as follows:

> The priests of the Saint-Hyacinthe area deplore the stagnation which affects the workers of the area. As shown in the briefs submitted by the Confederation of National Trade Unions and the Goodyear retraining committee, 20 per cent of the labour force is unemployed and therefore up against a situation of poverty detrimental to the workers themselves, their families and their community.
>
> We believe it is most urgent for us to make representations to your department so that measures are taken to remedy the situation. We join the two bodies mentioned above, as well as municipal authorities and intermediary bodies in asking that the economic subdivision of Saint-Hyacinthe be designed as a special area or in any other way, or that other effective steps be taken to cope with that serious problem which can only deteriorate if nothing is done.
>
> And we have signed,

The signatures follow.

Up to 1954, the conditions in the city and area of Saint-Hyacinthe had always been rather satisfactory, and the area was known for its prosperity. But since 1964, things have gone from bad to worse.

I have tried as often as possible to draw the government's attention to that problem, but I must admit that it was apparently to no avail. Nobody heeded my warnings, and yet they were only made in the best interests of my fellow-citizens.

In 1964, there were 6,059 jobs in the Saint-Hyacinthe area. In March 1970, there were only 4,944. What happened to those people who lost their jobs? They joined the increasing number of unemployed; they often had to leave their own country. In some cases, they had to put up for sale the house they had built with the help of members of their family. To sum up, for many families, the worsening of unemployment in the Saint-Hyacinthe area as a result of the lack of planning on the part of our governments has spread panic and want everywhere.

I have here the report of a study prepared by University of Montreal students. It has been published in the Wednesday, March 18, 1970 issue of *Le Clairon*, and here is what it reveals:

• (2:40 p.m.)

A staggering document

—Unemployment: 20 per cent—employment reduced by 18 per cent—

—the lowest salaries—brain drain

—1,000 people have left the Saint-Hyacinthe area —serious anemia

If a city or a region is to experience continued prosperity, it is necessary for new industries to come and settle there.

I have on hand a table of the industries that went into operation and folded up in the period from 1964 to March 1970. A total of nine new industries settled in Saint-Hyacinthe and they created 153 new jobs. During the same period, nine industries closed shop depriving the area of 484 jobs. We are therefore short of a great number of jobs.

From 1945 to 1970, the number of jobs at the Goodyear Tire Co. went down from 1,250 to 400. According to my information, this number will be further reduced. At Yamaska Shirt, there were 300 employees in 1945; today there are only 75. Penman's had 700 employees in 1959; it has 325 today.

Just a few weeks ago, 30 workers were laid off at the Volcano Ltd. plant. Last week, Penman's laid off 50. Casavant Frères also laid off some workers. Goodyear Tire has, I believe, fired 147 workers recently.

If that is not a sufficiently sad picture of what is happening in the town of Saint-Hyacinthe and the adjacent area, I wonder what is needed to stir up the ministers whose responsibility it is to do something to solve the problem.

I have made representations to the Minister of Regional Economic Expansion (Mr. Marchand) which were, I repeat, supported by the bishop of Saint-Hyacinthe, by intermediary agencies by municipal authorities, but all to no avail.

Mr. Speaker, it is unfortunate to see a minister who owes everything to the labour force turn his back on those who made him. I am anxious to have him take note of my representations which have been forwarded to me to be brought to the minister's attention.

Mr. Speaker, those people, when they belonged to the opposition, when their political "fathers" belonged to the opposition, always managed to blame the then Conservative government for the ills that existed—

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member, but his time has expired and unless he has the unanimous consent of the House, he will not be allowed to continue his remarks. Does the House agree?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): Agreed.

Mr. Ricard: Mr. Speaker, I only have a few words to say before I am through.

As I was saying, their "political fathers", who were here a few years ago, blamed the Conservative government who had inherited an unemployment problem from the previous administration, and they should try to take a few minutes every day to advise the government, as they used to do in the past when they were in the opposition. They should make a point of urging the ministers to take their responsibilities and to do something for our workers who deserve better than to see their ministers turn their backs on those who "made" them.

Mr. Chas. L. Caccia (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I have to speak in English, because I did not have time to prepare my speech in English and even less in French. I intend to discuss the main part of the motion introduced by the hon. member for Oshawa-Whitby (Mr. Broadbent)

[*English*]

—the central portion dealing with discriminatory authority and policies of the government.

These are, of course, big words, that are dropped now and again against a background of a biblical wrath that one fails to relate to modern language and to our modern society.

When one speaks of discriminatory policies one would also have to understand what is meant by that. It was unfortunate I was not able to be here in the morning to listen to the speech made by the hon. member for Oshawa-Whitby (Mr. Broadbent). I wonder whether he considers it a discriminatory policy for manpower officials to go into federal penitentiaries and set up a training program for convicts to prepare them for the time when they will be released. There is an outstanding example of this program, at Kingston penitentiary, for instance where training is being provided in computer and business machine services. Is it discriminatory then, to provide this kind of service? Is it discriminatory to provide services for the

thousands of immigrants every year who come here to settle? Is it discriminatory to offer them training for a period of six months to enable them to learn one of the two official languages of the country, thus providing them with an opportunity to better understand the new society? This policy has been devised by the department of manpower. Is it discriminatory to work out arrangements with our Indian people, in spite of all the difficulties resulting from arrangements made by other departments which perhaps do not permit such a quick approach to that type of training as one might wish, particularly in view of the weaknesses the hon. member for Oshawa-Whitby indicated this morning? I think there is no question about that.

When it comes to the manpower policy of any nation, we are speaking of the philosophy underlying the approach to the development of human relations in a nation. Therefore, it provides a background against which dialogue and debate will take place as to priorities and techniques. Of course, because of this, this is one of those policies which lends itself to criticism no matter what approach you are going to take. There will never be sufficient resources in the minds of politicians when it comes to the allocation of funds for the development of the human resources of a nation.

• (2:50 p.m.)

I understand that $250 million was spent last year for the development of human resources in our country. This is three times the amount spent during the last year of the previous program, and has permitted thousands of people to be brought into a scheme of retraining. The program has increased the average earnings of trainees in one year by $16 a week over the amount they earned prior to receiving training. According to statistics, almost 85 per cent of those retrained were able to find employment right after receiving their training. Whereas 55 per cent of the trainees previously were unemployed, after training only 15 per cent could be considered to be still unemployable. So, this program has brought about a sharp decrease in the percentage of those unemployed. Is this inefficiency, as has been suggested by the hon. member for Oshawa-Whitby? Would an increase of $16 a week in the earning capacity of the trainees and a reduction in the unemployment figure from 55 per cent down to 15 per cent, be the result of an inefficient approach to manpower training?

What is the meaning of the big words used by the hon. member? These words should be accompanied, of course, by some selective explanations. In every system of such a broad scope there will be built-in weaknesses and there will be certain examples of problems and inaccuracies on the part of the administrative arm. But this is no reason to totally condemn the program. The criticism, of course, becomes useful when it helps the administrative arm detect and rectify the weaknesses. I presume that in his cricitism of ineffective manpower policies the hon. member for Oshawa-Whitby included a lack of imagination. If so, then this should be corroborated by facts. Our experience has been to the contrary. We have seen instances in which the manpower policies have been adopted with a substantial degree of flexibility and imagination. I might cite the following examples.

In winter time there usually is a greater number of men belonging to labourers unions who are unemployed. A year ago representatives of a labourers' union approached manpower people and asked what could be done during the idle winter period to retrain some of their members. A scheme was devised whereby over a period of 12 or 16 weeks—I am not sure of the exact period—these men were upgraded within their own trades from a totally unskilled level to what one might describe as a semi-skilled or higher level. The scheme not only was successful but was repeated this winter. I would agree with the hon. member for Oshawa-Whitby if he means—as I did not understand him to mean—that perhaps our manpower policies should be aimed more intensively at training people who are already employed in order to bring them to their full potential. In this way vacancies would be created at the lower unskilled and semi-skilled levels in which there are large numbers of unemployed people and members of our labour force would be moved up as their potential permitted. If this were the hon. member's suggestion, personally, I would agree with him. This is a highly desirable objective in respect of Canadian policy or the policy of any nation.

There is the question of whether the resources of the manpower department should be devoted to this end or merely to the retraining of unemployed people or divided between the two programs. I presume that would be a difficult decision for any department or any minister to make. This, however, is not what the hon. member suggested. He condemned the whole system and described it as discriminatory and ineffective. If one takes

a look at the ads in the newspapers, it becomes obvious that there is developing in our country a chronic shortage of skilled people. I refer to those who have the ability to meet the increasing demands of industry and commerce. These ads continue to appear. We do not seem to be able to meet this type of demand. For the total expense of 10 cents one can carry out a survey in this respect by looking at these daily ads. It is a costly process to upgrade the training of those who are already employed in order to enable them to fulfil their potential and thus reduce the pressure on those who are most vulnerable at times of economic recession, those who become unemployed at the first signal.

Had the hon. member for Oshawa-Whitby referred to the necessity for a stronger policy in respect of training handicapped people, I would have agreed with him wholeheartedly. Our agreement with the provinces in this regard requires not only close attention but also a very thorough review. In Canada there are several hundred thousand people who might be described as handicapped. These people are unable to contribute to society to their full potential because we have not yet been able to develop a comprehensive policy, federally and provincially, to bring these people into the mainstream of productive society.

I agree in some respects with the hon. member for Oshawa-Whitby concerning the three-year clause. The restrictive effect of this clause can be seen in some areas, but it has very great merit in others. This is the reason, I presume, the matter stands where it has stood for some time. There certainly is great merit in leaving it as it is now in order not to encourage school drop-outs. This, however, has a negative effect in respect of our immigration policy if it is our intention, as it is, to try to attract to Canada young immigrants who have just graduated from technical schools. If upon arrival here these young immigrants could receive some type of adaptation training, they would benefit tremendously. Such training is not available at the present time, and this is one area in which perhaps this clause has a negative effect.

• (3:00 p.m.)

I would suspect that the hon. member for Oshawa-Whitby (Mr. Broadbent) could not resist the temptation of pointing at Sweden as the country whose example is so legendary that everyone has to look to it for inspiration and guidance. But I wonder whether in so doing the hon. member took the trouble to look at the inflation index in Sweden in the last 10 to 15 years during the process of economic planning which they have introduced.

It is very true that the Swedes have been quite successful in achieving a very high rate of employment, but they have done so at the expense of those who are living on fixed incomes and of those who have suffered and still do—I saw this last year when I was over there for a short visit—from an inflationary trend which is by far the highest of any western nation. All I am saying is that when we praise another system, although it is highly desirable that we look at other nations we should take the trouble to put forward all the facts.

Mr. Broadbent: Would the hon. member permit a question?

Mr. Caccia: Yes, Mr. Speaker, at the end of my speech. I do not know whether the hon. member for Oshawa-Whitby took the trouble—I hope he did—to mention the necessity of a manpower policy aimed at older workers. This area deserves attention in our society which makes obsolete people who do not have the benefit of certain training.

We also see in some segments of the industry a pattern, which seems to be repeating itself, whereby certain industries are not able to remain competitive and have to close down and put out of work a high percentage of older employees. I believe this area requires our attention if only to ensure that we do at least the minimum in helping those who have not been able to secure employment so far because of limited education and a modest technical background.

In conclusion, one can only assume that the motion put forward by the hon. member for Oshawa-Whitby is based on isolated cases. That may be quite legitimate, but it does not give the total picture of the effect the manpower policy has on the development of the human resources of our nation. In this respect, although no politician would ever be able to say that $250 million a year is enough or will ever be sufficient, with the resources available and within the limitations that exist I think the record of the Canadian nation in the field of manpower training is pretty outstanding.

Mr. Broadbent: I will be very brief, Mr. Speaker, because other members wish to speak. The hon. member referred to the rate of inflation in Sweden. He may find in his notes which someone picked up this morning

for him that this is precisely the issue about which I was talking. You have to choose between inflation on the one hand and stable prices and unemployment on the other. I admit that if you are to have an economy geared to full employment there will be some inflation.

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

Mr. Broadbent: My question is: Would the hon. member not agree that it is better to have some inflation and 1½ per cent unemployment than an economy that is geared to beat inflation and 6 per cent to 10 per cent unemployed?

Mr. Caccia: The answer cannot be as short as the question, but it would seem to me the question is based on the assumption that one policy excludes the other and that therefore we have a choice between one or the other. I do not believe it is a choice between black and white many other factors have to be taken into consideration.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, while we are wondering whether it is better to have inflation when there are fewer unemployed, or to have inflation with more unemployment, the unemployed are still without work.

Meanwhile, economic conditions are unchanged. As we talk, entire families are deprived of the necessary commodities, not only in a given region but throughout Canada.

Earlier, I heard the member for Saint-Hyacinthe (Mr. Ricard) relate facts such as, for example, the aggressivity of Liberal members against certain ministers when the Progressive Conservative party was in office in Ottawa about the number of unemployed in Canada. Indeed, there were nearly 1 million people out of work in 1961-62 under a Progressive Conservative administration. It is true that at that time the former ministers or members were putting questions to the ministers and defying them to find jobs and pass legislation that would ensure full employment in Canada.

Today these same Liberals are in power. The Progessive Conservative members now question the Liberals who have become Cabinet members. They blame the Minister of Regional Economic Expansion (Mr. Marchand), the Prime Minister (Mr. Trudeau), all the ministers, and say: There are as many unemployed in the country as there were under our administration. Problems are as numerous. This shows therefore that the two parties are exactly alike. The hon. member for Saint-Hyacinthe proved it a short while ago when he stated that the government had problems in 1961. It is just as true that the government has problems in 1970. These two governments do not want to solve their problems. They do not want to do anything against a system which is responsible for the situation. Within that system nothing would be changed even if the New Democratic Party came into power. Even if the Créditistes were in power, we would be in the same dead-lock.

Some think of financing production instead of consumption. People are told to produce more, but they are also told to tighten their belts.

To increase the standard of living it is necessary to increase productivity and in a trice the wheat producers are told: We will pay you if you do not produce wheat. As far as the Quebec milk producers are concerned, they are told: we will punish you if you produce too much milk. The corn producers in Ontario are told the same thing.

And in the face of such penalties and such stagnation, our friends from the New Democratic party are presenting a motion. I forgive them however for failing to supply me with a French text, as my N.D.P. friends are not used to the French language. The hon. member for Vancouver-Kingsway (Mrs. MacInnis) could very well have translated it as she knows French very well, but it seems that her colleague did not ask her to do it.

But here is the wording of the English motion, since English is one of the official languages in Canada.

[*English*]

That this House condemns the government (a) for its failure to provide a program of full employment, (b) for its discriminatory and ineffective manpower policies, and (c) for its destructive labour relations with its own employees.

• (3:10 p.m.)

[*Translation*]

Mr. Speaker, I will deal with part (a) since I am not so much concerned about part (b) which says:

—ineffective manpower policies—

Part (b) is linked to the first. But the first part says: The government's failure to estab-

lish or provide a program of full employment in Canada. Talk about full employment in Canada! I was told that certain members and even the leader of the New Democratic Party (Mr. Douglas) asked the government to assist western farmers who have to cope with a wheat surplus. The solution proposed is to pay the wheat producers for not producing wheat, as there is too much of it already.

So, they are told: Sit quietly at home and we shall give you $6 per acre left idle, up to a maximum of 1,000 acres. That means $6,000 so that they will not produce any wheat. On the other hand, the members of the New Democratic Party suggest a full-employment policy.

On the one hand, assistance is requested in the form of grants so that some people will not produce and, on the other hand, full employment is advocated. Workers have jobs but we have too many products in all fields.

In the automobile industry, for instance, thousands of workers are being laid off because there are too many automobiles.

The problem is the same in the clothing and food industries: There is surplus production. Yet, at the same time, there are some who would introduce a motion to create more jobs, who would call for more production. But why produce so much? We cannot even now keep up the production in our plants because of excess goods. Yet some clamour for full employment.

Mr. Speaker, whoever advocates full employment is bluffing. It cannot be achieved if we accept automation. The only way we can achieve full employment is by setting aside science, progress, machines, development and going back to the days of the ox, small ploughs and oil lamps. Let us turn the clock 75 years back; and then perhaps, in view of our needs, we can achieve full employment. But with the use of machines, never.

That reminds me of a story I used to tell a few years ago. Some people wanted full employment and intended to fight the machine. For instance, we have seen under certain winter works projects, some municipalities keep machines and mechanical ploughs stowed away in their garages and warehouses in order to be able to give work to the unemployed in winter. The streets were cleared of snow with small shovels. Man was not smart enough to use the machine to improve the lot of man. The machine was stored and men were put to work like beasts of burden. And that was supposed to be reasonable. There will still be some in Quebec, on April 29, who will vote for the Liberals or the Union Nationale. That is good enough for them.

There was once two men around a gravel pit watching a crane loading trucks. The trucks then drove away to unload this gravel which was used for road construction. One of the two unemployed, who were both carrying their own small shovels, said to the other: "Well, joe, without big crane, you and I might get a job as well as 50 guys like us. The machine punishes us."

The other one, who was far from stupid, answered: "Well, if it is only a matter of providing employment, instead of two guys like you and me, or even 50 guys each with a small shovel, why not hire 250 men with teaspoons? They would do just the same amount of work, and everybody would get a job."

As for me, I suggest that motions or resolutions such as the one now before us are just about as sensible as the reasoning of the man who wanted to replace the machine with teaspoons.

Mr. Speaker, the machine was devised to serve man and not to punish him. There is only one answer to the problem: it is to give to those replaced by machines enough purchasing power to enable them to buy the products made by the machine. It is as simple as that. However, people do not understand yet.

In the House, they talk about increasing productivity. As concerns the unemployed, we have not determined yet how many of them there are. The hon. member for Saint-Hyacinthe (Mr. Ricard) said a while ago that there were 540,000 unemployed, whereas I read in yesterday's newspaper that they number 653,000, while some civil servants say 438,000. Anyway, we know that there are people out of work and that, on the other hand, there are too many products; nevertheless, some would like to find jobs for the unemployed in order to increase production. That is contrary to common sense.

In 1970, our national production will be worth $72 or $75 billion. Yet Canada's national income will total only $52 or $55 billion. This means a discrepancy of $20 billion between our national income and our national production. The goods are there, but not the money.

And whenever we say that a dividend must be distributed to everybody to allow them to purchase such goods—which would allow industries to manufacture other goods,

because those they had already manufactured had been sold—we are told that this would bring about inflation. However, quite the contrary would be true, and everybody knows that.

Mr. Speaker, if you go into some store to buy something and you pay cash, any merchant will grant you a discount of 15 to 20 per cent. If I buy $1,000 worth of furniture and can pay cash, I shall certainly get a discount of 20 per cent. This means that I would pay $800 for goods marked $1,000. On the other hand, if I have no purchasing power and cannot pay cash, instead of getting a 20 per cent discount, I will have to pay a 20 per cent charge, representing $200 in interest. This means that I would pay $1,200, instead of $800 for the same merchandise or a difference of $400 according to the purchasing power I have or do not have. That is called inflation.

• (3:20 p.m.)

We are not asking the government to grant a national dividend so that everyone will be rolling in money, but for a dividend based on the difference between what we produce and what we earn.

Some fear that people will become lazy. However, the unemployed who actually receive $40 a week although they have a family, or those who get welfare allowances of $125, $130 or $135 a month to support their wife and children, cannot make ends meet. They merely exist, they do not live, at a time when goods are available because stores are full of goods of all kinds.

In Montreal, Ottawa, Hull, Rouyn-Noranda, Val d'Or, Winnipeg, stores are over stocked. Nobody is afraid of not finding tomorrow something he needs. There are all kinds of things, but the only solution to the problem does not lie in production, but in consumption. Indeed, it is not a matter of producing more. Instead of insisting on full employment, why not insist on full spending, that is, on what we spend to buy what we produce. To achieve full spending, we must plan the purchasing power accordingly.

Let us not take anything away from the wage-earner, but let us pay him a dividend. The standard of living of the individual with only his dividend will naturally not be as high as that of the wage-earner, and that is normal. Indeed, if I earn $100 a week and get a $50 dividend, I will have $150, while the unemployed will only have $50.

[Mr. Caouette.]

The national dividend would be in itself an incentive to work. No citizen would refuse to earn $100 a week because he would receive a $50 dividend. And this is so true, Mr. Speaker, that the experiment should be tried. After all, if those on welfare or who receive unemployment insurance benefits up to $53 a week were told: a job has been found for you which will allow you to earn $45 a week, but if you accept it, you will no longer get your allowances or your benefits, I believe that most of them would refuse it. On the other hand, however, if they were told that they could still draw their $53 benefit and a salary of $45, totalling $98 a week, they would not refuse to work. Everyone of them without exception would be willing to work, even for less than $45 a week, were they to receive on top of that their unemployment insurance benefits.

Now this is not what is happening. If an unemployed person who is drawing benefits finds some casual work for two or three days, and tries to keep it a secret, he runs the risk, if caught, of losing his unemployment insurance benefits, in order to earn $18 or $20. Then, Mr. Speaker, he is punished. And so the man says: they won't catch me again. Before losing my unemployment insurance benefits, I will make sure I have a paying job. The Canadian legislation is to blame rather than the worker.

To come back to the point I was making, the national dividend would not encourage laziness, but would be an incentive to work. In fact, it would allow the individual to develop a creative mind. But we are afraid of that type of dividend. We are thinking all the time of production. Let us finance production! Let us finance production! And this when the consumer is unable to buy that production.

And what is the result of this? The great number of bankruptcies taking place in Canada at the present time. It also brings about economic stagnation and chaos such as we are now experiencing, as well as worries and hatred between employer and employed.

It also breeds hatred between labour unions and governments, as was seen yesterday on Parliament Hill where Marcel Pépin, Chartrand and others gathered. Are we to believe that the boys from G. Lapalme Inc. of Montreal came here for fun?

Obviously, these people do not like to do what they did yesterday. What do they want: the right to a decent and safe life. Yesterday's demonstrators all know that production of goods is abundant in Canada. Everyone

knows it. Purchasing power is not great enough. Is not every dispute between management and labour essentially a question of money? As a matter of fact, discussions cover vacation leave, leave without pay, sick leave, bereavement leave, maternity leave, etc. When things are no longer going right, there is always a financial problem.

All the time, a $1 raise is asked for in order to get 25 cents, or a $3 raise to get 75 cents. More is asked in order to obtain the largest amount possible. That is what labour disputes are all about. Hatred and destruction are becoming prevalent. People no longer get along. Property is damaged, no one is safe. This is not surprising.

Meanwhile, legislation is introduced to create full employment. The demonstrators yesterday were not asking for full employment but for security and freedom. In my opinion, we can only assure security and freedom by granting citizens sufficient purchasing power to buy what they need, consumer goods, houses, cars, clothes or services, including drugs.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired. Does the House agree to let the hon. member finish his speech?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): The hon. member for Témiscamingue.

Mr. Caouette: I only need two more minutes, Mr. Speaker. I thank my colleagues for allowing me this extra time. I was on the point of closing my remarks by saying that we do not suggest anything just for the pleasure of doing it.

Liberals accuse us of playing politics, of being partisans, of making irresponsible promises—

An hon. Member: We never said that.

Mr. Caouette: I see the hon. member for Huntingdon-Laprairie—

Mr. Corbin: I don't know him.

Mr. Caouette: He never said it, but someone said it for him in his riding.

An hon. Member: In the Madawaska-Victoria riding.

Mr. Caouette: Ah! Madawaska. Someone said it in his riding.

Mr. Speaker, we are not trying to play politics, we are merely suggesting a way to solve the problem.

The Minister of Industry, Trade and Commerce (Mr. Pepin), presently in his seat, knows very well that our suggestions are logical.

I took part in a debate with the Hon. Lionel Chevrier, at the University of Ottawa. The moderator was the present Minister of Industry, Trade and Commerce. At that time, he liked Social Credit very much.

Mr. Pepin: Its leader.

Mr. Caouette: However, on that evening, the minister told me that he was contemplated seriously the possibility of giving courses on Social Credit to his students at the University of Ottawa.

Mr. Pepin: I was also teaching marxism, socialism, capitalism, communism and other "isms".

Mr. Caouette: But at that time the minister told me that Social Credit seemed to him clearly above all these other theories.

Mr. Pepin: Above communism only.

• (3:30 p.m.)

Mr. Caouette: That evening, the minister came to see me after the debate. We talked at length without making it an issue of electoral policy. But he and I were looking for solutions to the existing problems. There was no question of fighting in Parliament or elsewhere. Therefore I sincerely believe that the government should consider with a constructive mind the Creditiste proposals whereby production will be financed through the consumers. Let us settle the case of the consumer and, by the same token, we shall settle that of production. That is quite clear.

I know that certain banks will not agree with this, although we are not suggesting at all that banks be nationalized. We know that if interest-free loans are granted to municipalities, school boards and provinces, they will eventually award contracts for the construction of hospitals, roads and public buildings to private enterprise. The contractors will be paid either by the municipality, the school board or the provincial government, but they will not keep the money in their pockets. They will go and deposit it in chartered banks. The chartered banks in turn will continue to grant loans to private enterprise,

they will have more liquidity to promote the development of private enterprise, whereas the public sector will be financed direct by the Bank of Canada. It seems to me that you don't have to be able to set the Thames on fire to understand that. The hon. member for Chambly (Mr. Pilon), who is a former bank manager, has grasped this long ago.

Mr. Speaker, I am convinced that the solution we are proposing is sensible. We are given this afternoon an opportunity to express our views. The motion of my good friend, the member for Oshawa-Whitby (Mr. Broadbent), makes it possible for us to propose our solution. His own proposal is worthless because it is impracticable. If we are to use machines, science and progress, we will never achieve full employment. But we can, however, arrange for full spending by organizing the purchasing power so as to enable us to buy the goods, thus creating new employment, because factories will resume production. Then we shall achieve full employment through full spending. Consumption would be perfectly balanced with production and, consequently, so would be the Canadian economy.

That is what we hoped for. In my opinion, the present government can do it. I sincerely believe that the government members should take the trouble to look fully into this problem, perhaps not in the House, but in caucus or at the Cabinet meetings, because it is high time it were done. Let us not wait until it is too late. Indeed, let us not wait until bombs are placed under our seats in order to blow up the whole economic or administrative structure of Canada. Let us act while it is still time and if we assume our responsabilities right now, we will avoid the worse. I actually predict that in five years, the situation will be disastrous.

[*English*]

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I am glad the minister has been in the chamber for part of this debate. I am not going to give the whole picture, which was presented so well this morning by my colleague the hon. member for Oshawa-Whitby (Mr. Broadbent), but there are certain aspects of it that are especially important and which I should emphasize. I think it is important that we have people from different parts of the country to deal with this important matter.

In spite of the expectations of the people that great things would be done by this government, they are beginning to realize that in the important things the bread and butter issues, this government is showing a deplorable lack of efficiency. If there is one matter on which this government prides itself, it is the fact that it is efficient. It feels that although it may be lacking with respect to some less important points, it is impossible to find points where it is not at the height of efficiency.

However, many Canadians are coming to the conclusion that Canada simply cannot afford to continue the government's policies of creating unemployment through lay offs of public servants, cutting down public services, appeals for restraint to private industry and measures of compulsion in respect of persons with low income. All this has a tendency to create the psychology of recession—a psychology which is ill-suited to the country in which we are living. Canada has such good resources that we still have emigrants coming from other countries. Other nations still look upon us as one of the greatest treasure houses of the world.

These government policies of creating unemployment are far too costly even for a country with our resources. Throughout Canada the relief rolls are increasing. Taxpayers are becoming more and more alarmed as they see their money being used to keep people idle, people who should be working and, more important, people who want to be working and can find no opportunity to do so. In my own province of British Columbia the number of individuals and families receiving public assistance has almost doubled in the past 8 years. As the years go on, the rate increases. Today the number of people on the relief rolls is frightening, and this number is continuing to rise at an alarming rate.

The worst thing about relief is that once it is necessary for a family to accept it, the tendency is for the family to stay on relief. This applies not only to the family presently on relief but to generations which follow. In some cases we see that the third and fourth generations born into relief situations are unable to get out of that trap of poverty. The young people have no chance to escape. It is too costly to continue in this manner, not only for the taxpayers who are paying money unnecessarily and the people who want to be working, but the economic loss in productivity to our economy is staggering.

The Economic Council of Canada estimates that the loss to our economy of unused human resources is between $2 billion and $4 billion every year. Because we do not use the

human resources at our disposal we are allowing this great amount of hard cash to be drained away. I do not understand how a government can claim to be managing the affairs of this country efficiently in the face of those two situations, the completely unnecessary heavy drain on taxpayers and the country having to sustain an economic loss of between $2 billion and $4 billion yearly.

The situation is even more costly from a human standpoint. Lives are being wasted on a very large scale. There is a great loss of human wealth. People are not able to use their abilities to serve their community in the way they should. What I am saying is not fantastic or unrealistic; it is a sober statement. Canada has gone to much trouble in the past to bring great human wealth and capacities from other countries to our shores. We have tried to develop good conditions for our own people. However, because of the mismanagement policies of this government in deliberately creating unemployment, these good results are being lost.

There is much talk about the need to educate people for increased leisure time. People need and have a right to leisure, but they also have a right to work. We are in danger of losing sight of this human right: it is being lost on a very large scale. People need to work; in fact, they want to work, no matter how many fancy words are used in saying that people now can live in a state where the Puritan ethic of work no longer applies.

• (3:40 p.m.)

I do not care how many fancy words are used about the development of a state approaching paradise, where no one has to work and where we can all sit around playing harps and wearing crowns, or their modern equivalent of guitars and beads. The world is not like that. Indeed, we ought not to wish for a world of that kind because it is only through work, through one's occupation, that it is possible to grow and develop. Work is one of the most valuable things there is.

Today, machines have taken away many of the more disagreeable tasks. It is up to the government to give the lead in developing other forms of work which will give people an opportunity to serve their fellow human beings in various ways. In removing the need for a great many kinds of work, machines have led to a need for new kinds of work—work in the service occupations, the human occupations such as teaching, working in libraries, in travel fields, in recreation. These new jobs need to be pioneered. This is what the government should be doing instead of firing civil servants and cutting down employment. If private business cannot do the pioneering work in providing these jobs, the government should be giving a lead.

A new approach is required. We need to create new skills and the jobs that go with them. I turn, now, to the necessity for a fresh approach to manpower policies. At present the emphasis is focused on the needs of existing employers; people are trained to fill empty slots in the existing employment picture. I am sorry the minister has disappeared at this critical moment. Perhaps he is just behind the curtain: if so, I wish he would let me know he is there because I should like to address these words specially to him.

We ought to place the emphasis in manpower training on the placement of the unemployed and the underemployed. Private employment agencies are increasingly taking over the job of finding recruits for private business. This is the case in my own province and I believe it to be the case across Canada. Our new policies ought to be built, not around industries but around people and their needs. We should be using the development incentive legislation in such a way as to assist necessary industries which can best provide jobs for people. I am glad to see the minister back in his place. I intend to repeat that sentence because he may not have heard it all. I believe we should be using the development incentive legislation in such a way as to assist the necessary industries which can best provide job opportunities on a wide scale. This is the type of industry we should encourage—new industries which will provide jobs increasingly, especially in service occupations.

In this regard I wish to make two or three comments upon shortcomings of the Adult Occupational Training Act. There is scarcely need to do more than underline what has been stated before the Senate Committee on Poverty in the course of many able and important briefs. My hon. friend from Oshawa-Whitby has mentioned one of these briefs in particular, the Frontier College brief. One from the Adult Education Association was also outstanding. There were many others briefs deserving of notice.

One of the organizations whose representatives appeared before the committee was the Unemployed Citizens Welfare Group Council from my own city of Vancouver. I want to refer to them because they drew attention to

a remark which had been made by the new minister of welfare in British Columbia—it is a remark which ought to be enshrined in the records of this House as it will be enshrined in the memories of the unemployed in British Columbia. The minister said on one occasion recently that he plans to categorize all adults on welfare "so that they can be treated as human resources and kept in storage." Could anything better illustrate the typical old-fashioned approach to manpower training?

How many human beings do we keep in storage? One of the earlier speakers referred to some who are kept there in penitentiaries. Others are kept there on welfare rolls. When we keep human beings in storage we prevent them from developing, from growing, from living. I believe our manpower policies ought to be changed so that human beings are taken out of cold storage and allowed to become people with blood coursing through their veins and ideas coursing through their heads. This is impossible for far too many people under the present system.

There are three or four things in the Adult Occupational Training Act which need to be changed, as has been pointed in a number of the briefs submitted to the Senate committee. First of all, the provision that no training program can exceed 52 weeks in artificial and stultifying: it should be discarded. In effect, it cuts out everyone whose educational level is lower than grade eight, and most people whose level is lower than grade ten. I recall one hon. member raising the case of a busload of young Indian people who had been taken to a manpower training centre and who had to be sent back to their scattered homes because it was found that their basic schooling was insufficient for them to enroll. If the program were not limited to a period of 52 weeks I am sure we could begin to deal with the problems of those whose earlier training had failed to fit them for enrolment in manpower courses. As it stands, this provision discriminates against poor people, against people who have had little or no schooling. It discriminates against minorities.

The second thing to be changed in the manpower legislation is the section which lays down that a student must have definite vocational goals before he can enroll. University students coming from comfortable, middle-class homes often do not have the faintest idea of what they are preparing for in life even after two years of study. If young people from homes which provide them with all kinds of opportunities cannot decide ahead of time on a fixed goal, how can we expect people from underprivileged homes to have a firm goal before they enter these training centres? I cannot understand how this provision got into the manpower legislation.

• (3:50 p.m.)

I want to see it made possible under the manpower act for women to be considered as human beings in the full sense of the word. I want to see a provision in the act to provide that when a woman has been engaged in the domestic services of her home for three years, she shall be considered a person who has been in the labour force and is eligible for full manpower training and the vocational allowances that go with it. I am sick and tired of hearing people take it for granted that only the woman who goes out to sell ships, shoes and sealing-wax is working. The woman within the four walls of the family home looking after her husband, her children, and sometimes aged parents is working within the full meaning of the word and should be brought under the provisions of the act. This has been the objective of my bill, to bring women within the full meaning of this act.

I want to give one or two instances of just what this unamended act means in everyday life. Of many dozens of letters I have received I have picked out one that came to me a few days ago from Ottawa. You can see, Mr. Speaker, that my constituency is very much broader than Vancouver-Kingsway. This woman writes:

> I am a married woman with two young children, recently separated and with a necessity to return to work. After a 7-year absence and returning to the work force as a secretary, I find that I am categorized as a beginner (I am 38 years old). The maximum salary I could earn, even at the top of the scale, would not be enough to support myself and my family. I do not have the experience or the training to compete for a higher category position. I do, however, have the desire to learn and, I believe, the capacity, for something more challenging and less dead-end than secretarial work. However, on applying to Manpower for retraining, I was told that I must be back in the labour force for at least three years before I could be eligible (what a waste of time) and, secondly, that there are no programs offering better scope than secretarial training.

Mr. Speaker: Order, please. I apologize to the hon. member, but I have to interrupt her because her time has expired. She may continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Mrs. MacInnis: Thank you, Mr. Speaker. Since I would have been the only one today

who had been refused, I am glad I was not. This woman concludes by saying that she considers this situation most discouraging and wasteful, and so do I, and I know the minister will too. Let him admit women to the labour market, which has been far too much confined for far too long to men. I am referring to the official labour market; I know there is plenty of labour outside the official labour market. I think it is high time this situation was recognized.

I should like to refer to some statements made by the executive director of the Visiting Homemakers' Association, who was speaking in Ottawa the other day. She was addressing a meeting of homemakers which was also attended by the Children's Aid Society, the Catholic Family Service and the Family Service Centre of Ottawa. At the meeting Mrs. Pincock expressed concern about Canada manpower legislation which restricts potential homemakers from receiving a training allowance if they have not been in the labour market for three years. She went on to say:

> Women who have raised their own families and who are now ready to embark on a second career are in this category, which is probably our best source of supply.

And so I believe. I believe that in neglecting the source of supply of labour that women can provide, we are cutting down our source of national production and services in a most unnecessary and alarming way. I want now to read a letter that came to me from an administrator of the manpower retraining program. Obviously I am not going to identify him or his city. The letter is dated April 2 and reads:

> Thank you so much for your persistent interest and awareness of the Adult Occupational Training Act, with special emphasis on your recent amendment, Bill C-199.
>
> Since 1967, thousands of women have been discriminated against because of the narrow interpretation of this aspect of the act.
>
> As an administrator of Retraining Programs, I am appalled, shocked, and angered at the manner in which Canada Manpower officials apply the numerous rigid regulations to the citizens of Canada.
>
> OTA students are considered less than welfare cases when it comes to medicare, compensation, pregnancy, eye glasses, nursing care, and practically all forms of medical attention.
>
> Candidates are continually forced into courses supposedly to meet the demands of the labour market which no one really knows, least of all, manpower officials.

Do not forget, Mr. Speaker, that this letter was written by an administrator of manpower retraining programs.

> Students are forced off courses prior to completion because time has run out on them.
>
> Surely in 1970, we should be big enough to admit that skill training is secondary and only education for living is the essential ingredient for personal success. Our people need new goals, broader horizons, enriched attitudes, they need to stand taller and feel personal worth and success.
>
> While we train welders, industry gears up for laser; electronics is constantly changing, and secondary skills become obsolete almost daily.
>
> Anything dedicated legislators can do to improve social and economic conditions for so many needy Canadians is greatly appreciated by those of us at the grass roots.

I hope the minister will be impressed by how one of his own administrators feels at the grass-roots level. I should like to conclude by saying that the motion before the House today condemns the government for policies that push people out of jobs and into poverty and then close the door to any possible escape in the form of training them for the new service jobs that are essential in today's world. I hope the minister will open that door at least a crack before this debate is finished.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I suppose it might be in order to commence my remarks by making an observation that is only less serious than the terms of the motion itself, and that is that on a topic as important as the unemployment situation in Canada, which I would have thought was the most chronic problem facing the nation at this moment, there has been at times this afternoon less than a quorum in the House and at the present time there is barely a quorum. I feel hon. members should note this fact because it reflects what is perhaps a lack of concern among Members of Parliament from all parties for the serious problems in question. Indeed, this lack of concern continues from day to day.

I was disappointed that the Parliamentary Secretary to the Solicitor General (Mr. Caccia) saw fit to speak for 15 or 18 minutes and then quickly disappear. I was hoping to have an opportunity of reacting to his very pointed but narrow remarks in interpreting the motion before the House. The motion before us makes reference to the serious unemployment problem, the government's discriminatory and ineffective manpower policies and the destructive labour relations that exist in government departments.

The parliamentary secretary, the hon. member for Davenport, chose to speak almost solely about that part of the motion that referred to ineffective manpower policies. He made no mention of unemployment or the psychological depression that is taking place in the Canadian nation today. Listening to

other members gives me cause to wonder whether many Members of Parliament, the Prime Minister (Mr. Trudeau), top level civil servants, bureaucrats and those who make decisions on how to spend the government's $13 billion are really aware of the serious unemployment situation and the day to day problems faced by unemployed men and their families. As a matter of fact, yesterday I moved a motion to the effect that the serious unemployment situation in Canada today be referred to the Standing Committee on Labour, Manpower and Immigration for discussion. Again, of course, we did not receive unanimous consent.

• (4:00 p.m.)

I wonder how many of the 20 members out of 264 who prefer to sit in the House on Friday afternoon to debate a motion such as this when most of the members are heading toward their constituencies or have been there all week, understand what unemployment is all about and what effect it has on a family.

An hon. Member: What about 1962?

Mr. Lundrigan: How many understood in 1962, asks the hon. member for Renfrew. Is it Renfrew? How many members know what unemployment is all about or what it feels like to be unemployed? Let me ask members from the interlake area around Winnipeg, from the northern areas, from British Columbia, from the slow-growth areas of Ontario, the whole of the Quebec nation—province, rather—and the east coast of Canada, when they stand up in the House and talk about employment and the effect it is having on our population, how many of them actually appreciate what this means?

When I refer to the fact that in my own province 22 per cent of the population is unemployed, I wonder how many members actually understand what that means. We have two types of people, those who are unemployed and those who are in fear of becoming unemployed. We have people who are almost ashamed that they have jobs because they are living next door to men who do not have a job, whose children are not as well dressed, fed or schooled as theirs. They are living in homes where the whole standard of living is low. Everything in relation to their standard of living is low, including the food they purchase at the corner store—at the little shops, as we call them. How many people actually understand what that means?

I sincerely feel it is a total waste of my time to stand here in the House of Commons talking about unemployment. I am talking to about 40 people. Perhaps a couple of them will take into consideration what I say. Perhaps one or two will remember a word or two of the speech of the hon. member for Oshawa-Whitby (Mr. Broadbent). Perhaps another one or two will take into account a word or two of the speech of the hon member for Davenport. Perhaps one or two will remember a few words said by the Minister remember a few words said by the Minister of Manpower and Immigration (Mr. MacEachen)?

I am sure only half a dozen members here have been paying attention to the business of the nation. That would be the total number of members who know what has been said in the House of Commons. I think this debate is a waste of time. If I knew of any House rule that would allow me to move the adjournment of the House so that we could just go home and call it a day, I would so move. If I knew of an appropriate motion I would move it, because I think this debate is a waste of time.

Some hon. Members: Move the motion.

Mr. Lundrigan: Mr. Speaker, a lot of my colleagues are urging me to move that motion. If it is in order, I would move that the House do adjourn.

Mr. Speaker: The hon. member knows that a motion cannot be made in the House without a seconder.

Mr. Lundrigan: Mr. Speaker, I so move, seconded by the hon. member for Parry Sound-Muskoka (Mr. Aiken).

Mr. Speaker: There is another rule the hon. member has overlooked. The motion has to be in writing.

Mr. Lundrigan: Mr. Speaker, if the House will approve, I will put it in writing. Perhaps it is more important that I have drawn attention to this fact than that the motion be accepted. I want to use the 15 minutes which I have left. I am sure I have drawn attention to the fact that perhaps by and large it is a waste of time to be talking on this motion because there are very few ears of the Canadian nation listening.

The fact that we have a Department of Regional Economic Expansion and a Minister of Manpower and Immigration, who undoubtedly is very concerned and is making an

effort, is the only saving grace in respect of what appears to be bad policy on the part of the government. A previous speaker said that the government has actually launched a program of creating unemployment. That hon. member was not coining a new phrase; as a matter of fact he was referring to a statement made by ministers of the Crown, the Minister of Finance (Mr. Benson), and the Prime Minister himself. Obviously, they have not felt any of the effects of the anti-inflationary policy of the government, in their departments or personally. The fact is that the government itself admits that this is a means it is using in an effort to cure or offset the inflationary trends in this nation.

This is the government's policy, and the only saving grace is that we have a Department of Regional Economic Expansion and a Department of Manpower and Immigration with limited funds trying to put a little bit of molasses on a dry slice of bread. This is a policy of push-me-pull-you. We have a government deciding to go in one direction, and in order to take the sting out we have a couple of departments trying their best to offset the over-all impact.

These government departments are perhaps to be commended for the work they are attempting to do on a limited budget. I would be dishonest if I did not say that in my opinion Canadian Manpower offices have done a commendable job with a limited budget in attempting to bring the supply of and demand for labour together. Unfortunately, this effort and the manpower retraining scheme are totally ineffective in overcoming the devastating effects of unemployment. This is unbelievable, and most Canadians will not accept it. If I could speak to our 22 million Canadians today they would call me a liar if I told them 20 persons out of every 100 in my province are unemployed at this time.

As a matter of fact, I looked at the statistics for the days referred to by members from across Canada as the dirty thirties, and found that in 1935 in the country of Newfoundland—it was then the country of Newfoundland; it was not a province—16 per cent of the population was dependent upon some form of government assistance or welfare: sixteen per cent of the people were forced to accept government assistance in the form of welfare or dole. In 1970, 35 years later, after 21 years of Confederation, we have 20 per cent of the population unemployed. We have 87,000 people who depend upon some form of social assistance. This is the most chronic period of our history since 1949.

I guess I am wasting my time by relating these facts to the House of Commons. I have talked to many groups across Canada, in Alberta, British Columbia, Prince Edward Island, Ontario and most other provinces in the last couple of years. I talked to them as far back as 1965 when I spent two years in the very affluent province of Alberta. It is not as affluent today, I might add. These people continually asked me questions such as: "What do you want? We have been giving you this, we have been giving you that, and we have been giving you something else. What is it you want?" I almost began to develop the feeling as a Canadian—not as a Newfoundlander—that there was something second-class or wrong about our getting equalization payments and benefits from the federal government in order to help overcome our disadvantaged position of 1949.

Today I think I can look at the rest of Canada, if I classify myself first as a Newfoundlander, and say that it owes us a tremendous debt because we, along with people in other slow-growth areas, are now paying the full price of the anti-inflationary measures imposed across this dominion. I challenge any member of this House to stand up right now and refute those remarks. Newfoundland, with a population of 500,000, is paying a higher price as a result of the government's anti-inflationary policy than any other part of Canada.

The Minister of Finance stands up in this House, when he is here—almost once a month—and says that the government has launched an anti-inflationary policy and is laying off postmistresses and postmasters of little post offices all along the coast. He says the government has closed post offices all across Canada, that it is not going to build any more wharfs even though they are justified, it is not going to create any more manpower centres, particularly on the east coast of Canada, and it is going to lay off people in all government departments across Canada.

• (4:10 p.m.)

The minister says we are doing these things to help the people on fixed and low incomes and the seasonally unemployed. Often in this House I have said those on fixed and low incomes, as well as the seasonally unemployed are the people who are carrying the full load of the government's anti-inflationary policy. I stand here and I tell the Prime Minister that I am wasting my time. I tell the Minister of Manpower and Immigration that

I think he understands the situation but the cabinet is dictated to by three or four big cheeses who make decisions on a theoretical, book approach they have been working on for 20 years and which they now find they are in a position to implement. This, of course, has an impact on the Canadian nation.

Mr. Speaker, the hon. member for Davenport spoke for 10 or 15 minutes and then left the House. He asked how we can implement manpower policies with the resources we have in order to offset the government's policies. Well, the Committee on Regional Development last year went on a junket out west—that is about all it was. We did not receive any evidence, but we toured the countryside and observed a number of projects. We observed the ARDA project in northern Alberta and in Edson. We looked at the beautiful New Start program in Lac-la-Biche and in Prince Albert. We visited the neglected interlake area of Manitoba which under the Department of Regional Economic Expansion had a great plan which has not materialized.

As an educator and as a person involved in a good deal of research before coming to the House of Commons, perhaps unfortunately, I was most impressed by the work done under the New Start program. This was an experimental program in which the government was looking at ways in which people at the bottom of the scale in terms of employability, training and education could be upgraded, retrained and perhaps given an injection of new hope and a change of attitude.

Many of the people involved in this program were deserving people. I remember well the Lac-la-Biche and Prince Albert experiments. After several months in this program the people involved were tremendously different. It was planned that this experimental program would be taken from the experimental stage after the research and technocratic approach and would be applied across the nation. This would have been a major program.

I would have thought, if the government were to launch the program it has now of creating unemployment, it would at the same time have tried to involve the people in a comprehensive program of retraining and upgrading so that those who are forced out of work and are on unemployment insurance and social assistance could receive a little bit of assistance from the government. If they were brought into a program of retraining, perhaps they would be in a position to fill the void in the labour market because there are many opportunities which people cannot accept due to lack of training. Such a program would have improved the over-all potential of this nation. But this was not done.

The minister will probably get up after I have finished and say I have rocks in my head and am unrealistic. I am sure, however, that the minister is unhappy with the budget he has in order to do the massive job he must do. There is not a prosperous nation in the free world in which money spent on education, retraining and upgrading has not produced great dividends. The minister knows this. There is not a single economist in North America who would disagree when I say that money put into these programs does pay dividends. When a nation can give priority to this type of program, it is an indication that it is a prosperous nation.

Mr. Speaker, I am trying to make suggestions and to be constructive. I have sufficient material that I could continue for many hours. I should like to see Parliament—not any particular minister—not announce great flowery programs but take the matter of unemployment in Canada very seriously and set up some kind of special committee aside from the committees which from time to time travel around the countryside listening to briefs and then return and spend many days listening to more briefs.

I should like to see Parliament set up a special committee to look at the unemployment picture in a very deep manner in order to obtain a clear picture of the situation. The Dominion Bureau of Statistics gives a diluted, watered-down version of the situation. They talk about an unemployment figure of 13 per cent in respect of Atlantic Canada while it is really closer to 20 per cent. People who are not on welfare or the unemployment insurance books find they are not included in many of the sophisticated statistics published by the Dominion Bureau of Statistics.

If a special committee were set up for this purpose, I would be willing to spend many hours as a member of that committee looking at the unemployment situation so that Parliament could have an appreciation of how devastating is this kind of situation on families and on people. It is totally unacceptable that part of Canada today—almost all of Canada—should be involved in a desperate unemployment situation and that one area should have an unemployment figure of 20 per cent. Even if I were to stand up today

and become totally irresponsible in drawing attention to this matter, I would consider that to be worth while.

There is another matter on which I should like to touch. It concerns a situation that is not at all parochial. It shows the effect on the over-all economic problems when the Canadian economy is slowed down. When I was a very young Canadian, most of the people from my community and the surrounding communities would leave in the spring of the year to go to Toronto. They became expert in the construction field. They obtained seasonal employment. Many of these people became expert in lathing, steelwork and other construction activities. Over a period of time they picked up great knowledge and experience.

These people were well rewarded. They received the large salaries that were received by the people in central Canada. They would leave their small communities on the east coast to travel to the more affluent and advanced parts of Canada. Today the people in these parts of Canada cannot provide employment for their own dependants. Consequently, when employment slows down in slow-growth areas the people in those areas have to stay at home. No matter how affluent the people are, they have to tolerate the devastating effects of the unemployment situation. I want to emphasize this because it shows that what we have today is certainly not a provincial but a national problem.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I certainly do not wish to say that the hon. member for Gander-Twillingate (Mr. Lundrigan) has rocks in his head, as he suggested I might. I found his comments to be constructive and I thank him for the well-deserved reference to the members of the Canada Manpower centres in Newfoundland and the other provinces who are working at the grass-roots, and not in a theoretical or speculative way, with the problems of the people in all the communities of Canada.

• (4:20 p.m.)

I appreciate his comments about the problems of the Atlantic provinces because it is obvious to all of us that the economies of certain parts of Canada, including the Atlantic provinces, have not created inflation. But as the battle against inflation is waged, the Atlantic provinces are bound to be affected, and because they are weak areas of the country they are bound to be affected more adversely. It seems to me that the moral of the debate is that all of us have a definite interest in the success of the battle against inflation in Canada. Our long-term objective is to maintain and accelerate economic growth in the country, and no part of the country has a greater stake in long-term economic growth than the less developed parts. The long-term growth of Canada is threatened at present by inflation, and unless we succeed as a country in licking the problem, the consequences to which my hon. friend has referred will be even more apparent and more difficult.

I regret that I was unable to hear the hon. member for Broadbent—

An hon. Member: Oshawa-Whitby.

Mr. MacEachen: —the hon. member for Waterloo.

Some hon. Members: Oshawa-Whitby.

Mr. MacEachen: I am sorry—the hon. member for Oshawa-Whitby (Mr. Broadbent). I know him by his ability and his intelligence, not by his name or his constituency. Anyway, I regret not having heard his speech. I would have stayed in Ottawa had I not arranged a meeting this morning with the Premier of Nova Scotia to convey to him the official response of the government of Canada to his request for assistance in the rehabilitation of the heavy water plant at Glace Bay. That was an important decision in terms of the development of Nova Scotia and the Atlantic provinces. The amount of federal assistance in various forms is in excess of $40 million. This certainly is an indication of the interest of the federal government in supporting the provinces, and especially the weaker provinces.

The question put to the House is that the manpower policies are ineffective and discriminatory. I want to deal with the expression "ineffective and discriminatory" later, but in addition to that charge there is the general suggestion that the economic and development policies of the government as a whole are ineffective. It may be the weakness of the motion that it overstates the case. So often in the House of Commons a case is lost because it is overstated.

Mr. Knowles (Winnipeg North Centre): The minister should know that.

Mr. MacEachen: This is certainly an instance where an attack has been launched against one of the most effective and best

programs in Canada, the Canada manpower training program. By implication the suggestion is made that this program along with others is not working effectively in the interests of Canada. Recently we have had several example of how this department responds in order to help the workers involved in the case of a lay-off or a technological change.

There are also training courses which go unmentioned and unsung until an error is made at a local office by an official who may have misinterpreted the directive, and then all hell breaks loose and people forget the day-to-day contributions that are being made to the people of Canada under this program.

We know of several recent examples, but let me take one or two from Nova Scotia because I started the day in the capital city of the province talking about development with the Premier. I want to mention the threatened closure of an important industry in the province, Fairey Aviation in Halifax. As hon. members recall an announcement had been made by the company that the plant would close at the end of March. Questions were asked in the House, but several departments of this government and of the provincial government had been working quietly in order to rescue that plant. The result of that quiet and effective work is that the plant has been rescued and a new operator has been secured, not by accident, not just by somebody wishing it, not by a question in the House but by the effective collaboration of three departments of the federal government. The Department of Regional Economic Expansion will provide a substantial incentive grant, the Department of Industry, Trade and Commerce will provide a substantial development grant, and the Department of Supply and Services will renegotiate the contract that had been in existence with the former company.

The result is that Fairey Aviation has been transferred to a new owner and there will be the possibility now of a new technology in the Atlantic provinces, a new technology centre in Nova Scotia. There will be minimum disruption in employment levels and there will be a new element in the transportation industry of Canada. That is a success story.

There is another about EMI Electronics which had decided to give up and close down. Through the efforts of the Department of Regional Economic Expansion, through the efforts of my colleague, the Minister of Industry, Trade and Commerce (Mr. Pepin), and those of the provincial government, that plant is also saved and will continue to operate. We hope it will be an even better source of employment to the people of that area.

We had the illustration in Toronto of the closing of the Dunlop plant. It is simple to ask questions in the House about an issue of that kind and it is relatively easy to give the answers. Fourteen manpower counsellors specially assigned to Dunlop registered all the unemployed workers. They listed their skills, they are seeking out jobs, they are examining training possibilities. They have that case well in hand. I regret it was not possible to have had the kind of economic analysis and examination for the benefit of workers that I advocated. At least we will have contributed some real input to the solution of this problem for the benefit of the workers.

• (4:30 p.m.)

I welcome this discussion of the Canada Manpower Department. We do not claim perfection, but we do claim we are making a businesslike, effective contribution with the resources available to us, to the manpower development of Canada. I will not go into the whole variety of programs that we administer in the placement field, in agricultural manpower, in student manpower, and in immigrant settlement. I will not go into manpower adjustment and manpower mobility, but I would like to talk about the Canada Manpower Program and the contribution it makes to the manpower development of the country.

In my department this year we will be spending a total of $273 million to train adult workers in Canada. I want to tell the hon. member for Gander-Twillingate that we got $25 million more for the budget this year than we did last year. We would have liked to have had more, but we were competing with other government departments for the available resources. We will be looking for more money next year, and if we have $25 million or $50 million more we could do more and train more.

Mr. Lundrigan: Are you expecting more unemployment next year?

Mr. MacEachen: I am not expecting more unemployment. The job we are doing is a necessary job in a period of unemployment. It is equally necessary in a period of economic expansion when jobs are opening up, and we have a responsibility to train adult Canadians for these jobs rather than take in people from abroad, as we do now in many cases. I think it is a good idea to encourage immigration. I simply indicate that we do take many people

in from abroad to fill skilled jobs opening up in the country for which we do not have the skilled manpower. We are doing the best we can. We have increased our budget. Last year we put into courses 320,000 adult Canadians. The budget for Canadian manpower training has increased quite substantially; it has been one of the fastest growing budgets in the government over a three-year period.

The hon. lady talked about occupational goals. I do not know fully what she meant and it would require more discussion to ascertain, but we do insist that clients who come to manpower centres for expensive training and allowances, should have objectives that are related to the labour market. We want to help them get jobs and increased incomes. Unless there is a chance that they will get jobs and increased incomes we are limited in our help because our purpose is economically oriented. We are not in the field of general education. It is essential that we don't accept people because they like culture or they want to study music.

Cultural activity is fine, but our program is economically oriented and there has to be a connection between the labour market, the income prospects and the training we provide. I am sure the hon. lady will agree that that is sound philosophy.

Are we training the right people? The hon. member who opened the debate made the point that we are not training the right people. What is the test? We must train people for jobs that are available in the labour market. We do our best to assess the availability of jobs and to match the training to available jobs. That is essential. Basically, we train people who are underemployed and who are unemployed, and whose prospects for increased earnings will be enhanced. I also want to make the point that while it is basically an economic program, it has very important social and anti-poverty objectives.

In Canada we are engaged in a war against poverty, and in my judgment one of the most effective tools in waging that war is an effective manpower program which reduces dependency and which enables individuals to compete successfully on the labour market. So, Mr. Speaker, it is an anti-poverty device. What kind of people are we training? I know that in 1968 we spent about $100 million on the training of people who were poor or under the poverty line. So, we are attacking that very important element of the problem.

Then, Mr. Speaker, I want to make the point that our training is concentrated in areas where unemployment is highest. For example, we spent $55 per capita of the labour force in the Atlantic provinces in 1969-70; we spent $37 per capita in Quebec; $24 per capita in Ontario; $24 per capita in the Prairies and $20 per capita in British Columbia. As part of our deliberate policy we tilt the training to the parts of the country where unemployment is greatest. An examination of our allocation of resources will indicate that we have achieved that objective also.

In addition to the regional distribution of the funds, we attempt to spend the money in the seasonal period of high unemployment. We know that the Canadian economy is subject to seasonal lay-offs regardless of the buoyancy of the economy. We have a considerable seasonal problem and we undertake training in that period. Hon. members are worried about the extent of unemployment in the country today. They would be more worried if it were not for the large numbers in training which are four or five times greater in January, February and March than they would be in other months of the year. We think this is good business.

The hon. member may be reassured that we train mostly people who are unemployed, and it seems to me there is not a better basis upon which to make the choice if at all possible. Some 55 per cent of our trainees are unemployed when they start training. Surely one of the most important criteria for providing trainees is employment status.

The suggestion has been made that we are not getting at the really disadvantaged. We are always conscious of getting to people who are on the border of the labour market. I am not saying for one moment that we have at the present time the specialized services that will enable us to get at and service this disadvantaged group in the manner that we would like to. We have under consideration additional programs of a specialized character that we will put into place when we have the resources, but in the meantime we are making a substantial contribution to the disadvantaged, to the poor. As I say, some $100 million was spent in 1968-69 on training the poor, and proportionately there are now more people under the poverty line in training.

Are you training the poor? That question was asked. I reply, yes, we are training proportionately more of that group than of any other group in the economy. What are you

doing about the lack of education classes? That is another question which was asked. I wish to tell hon. members that 43 per cent of our trainees have grade eight or less at enrolment time.

Mr. Broadbent: Forty-three per cent of the labour force?

Mr. MacEachen: Forty-three per cent of our trainees have grade eight or less when they enter the courses, yet the hon. lady said we did nothing in this field, or words to that effect. We are aware that there are people in the labour force who, to use the current expression, may be functionally illiterate—they cannot read or write; they cannot perform the elementary functions that are required to learn a trade or indeed even to get a job. We do our best and we recognize and are exploring this field more and more. We are penetrating it. We cannot fully replace the general educational system in the long term. We try to supplement it in the short term.

• (4:40 p.m.)

The Acting Speaker (Mr. Béchard): Order, please. I regret I have to interrupt the minister, but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, does the minister not have 30 minutes?

Mr. MacEachen: I thank the House for giving me a chance to finish my remarks. I will try to complete them as quickly as possible. We do attempt to get into the least schooled portion of the population.

Mr. Broadbent: Will the minister permit a question? It is a factual point on which he has made a mistake. I heard the minister say that 43 per cent of the Canadians taking departmental courses have grade eight education or less. Should that statistic not be 43 per cent of the Canadian labour force over the age of 17 have grade eight education or less?

Mr. MacEachen: No, Mr. Speaker. If I must correct the statistic I will do so later, but my understanding about the course is that 43 per cent of our trainees have grade eight education or less on enrolment. In 1968-69, for example, we trained approximately 22,000 workers who have less than grade six education. About three weeks ago a young man in his twenties came to see me. Although he was employed as a cook, he could not read nor write. He told me how he managed to follow recipes and develop new ones. It was rather interesting, but laborious. He wants to be upgraded. This is a big problem for the federal and provincial governments. We are trying to get into this area even more than we are at the present time.

I wish to make the point, Mr. Speaker, that we do not want these training courses to become welfare schools. It is a temptation for individuals in low-income areas to take the training because of the allowance. This is not a long-term solution to their problems. Nothing will do more to discredit this program than if it is understood that it is a substitute for welfare or if it happens that trainees who complete these courses do not take jobs or improve their incomes.

Mr. Lundrigan: Mr. Speaker, as there are only 15 minutes left in today's sitting, I wonder if the minister will permit a question at this time. I have been sitting here listening to him for half an hour. I am sure when the minister reads his speech he will be impressed to learn how long he can speak without getting down to the nitty-gritties. Can the minister indicate what new initiatives are being taken by his department in view of the fact that we have a chronic unemployment situation and that right now we have university students by the thousand? In view of the fact that his budget has been increased, is his department going to take new initiatives or will we be having a little more of the same? I would like the minister to get around to this point.

Mr. MacEachen: I do not need any help from the hon. member in making my speech because I know his help is not well-intentioned. His question is based on the fact that he is impressed with the rather important contribution the department is making. If he thought I was wasting time, he would not want me to change the nature of my speech.

This year my department is spending $273 million, a good deal of it in the Atlantic provinces. There will be hundreds of thousands of trainees. Surely it is a matter of important debate in this House to know whether this money is being spent effectively. I know perfectly well if we do not do a good job and relate these efforts to the economy, earnings

and job possibilities, this program will collapse. It will not be maintained by the government, Parliament or public opinion as a welfare program. As the hon. member has said, it must have credibility. We have done two things in appraising the results of the program and we are not finished yet.

We cannot yet give the final answer. We have tried to determine whether this program is putting as much into the economy as it is taking out by way of taxes. We have run the best possible cost-benefit analysis that we could devise in co-operation with the best research agencies in treasury board. Hon. members will be glad to know there is a very positive cost-benefit result from the program. The benefit received is greater than the outlay: it is three to one. It would be better if it were ten to one or one hundred to one, but there is a very favourable cost-benefit ratio.

Mr. Knowles (Winnipeg North Centre): Will the minister permit a question? Is he willing to table a copy of that cost-benefit study?

Mr. MacEachen: I think someone has asked for that. There are a lot of print-outs. We will do everything we can to put this before the House in any reasonable way. I will consider that. We have made this cost-benefit analysis and we are continuing to improve it technically. We have also had a follow-up survey of our OTA graduates. The survey was conducted three months after they completed the course to see how these students had done. We have the preliminary results of this survey. They show that nearly 80 per cent of 8,000 students from the Canada Manpower Training Program were employed when surveyed three months after completing the course. Only 41 per cent were employed before the training. We will continue with further surveys to validate this information. The survey shows that the training has had a very positive result in getting these people into the employment market. What we are after is getting jobs for people.

We also wanted to determine by this survey whether their productivity and earnings improved as a result of training courses. The preliminary results show that income increased by 15 per cent, approximately $55 a month, within three months of graduation. If these courses help to get jobs for these people, keep them employed, increase their earnings and improve their situation, we can have confidence in the effectiveness of the courses. I say without any oratorical flourish but in cold truth that there is no program in the government of Canada that has been more rigorously examined from the point of view of cost-benefit analysis to determine its effectiveness. We do not think we can get more money for this expanding program unless we can demonstrate that it is effective. We cannot maintain the confidence of Parliament and the public unless it is effective. We know there will be complaints. Of course, there will be complaints in individual cases about procedure and so on. We know there are ways in which we can improve the program. We are examining this aspect all the time.

• (4:50 p.m.)

Might I turn for a moment to an important proposal for a change in the program? It is related to the so-called three-year rule. In order to qualify for allowances there has to be a three-year waiting period. At first glance, one might ask why the department does not allow a person to undertake training and receive an allowance immediately he leaves school. He would learn good habits and receive good orientation while still young. This idea has a certain appeal. But given the fact that there is a budget of $273 million this year, we have to decide as a department and as a government how the money available can be spent to best advantage. The more people we bring in, the less intensive the coverage becomes. The program was conceived as a means of helping those workers who obtained their education many years ago and who now find it insufficient and obsolete.

My colleague, the Minister of Regional Economic Expansion (Mr. Marchand) said the purpose of the program was to give people a second chance. We know that in Canada today there are people in their twenties, their thirties and their forties who have missed out. We know that the level of scholarship in Canada is not as high as it is in the United States. We realize that if these people are to get into the mainstream of society and compete successfully on the labour market they must receive training. We realize, too, that a heavy proportion of public funds is being spent on young people.

Some hon. members advocate removing the three-year rule. If this were done, there would undoubtedly be a heavy demand from young people for training and allowances and ultimately we should have to cut down the training available to older people. This is one of the issues which arise in terms of the allocation of resources within the system.

There are other issues concerning the relationship of the scheme to the regular educational system and to the support we give to the post-secondary education structure.

Nevertheless, I want to assure hon. members that I do not take a casual attitude toward this question. We realize in the department that whatever decisions are made will affect the pattern of training available to all members of the labour force, especially the older workers who require it most. We want to be sure we make a right decision; we do not want to shoot from the hip. At the present time a research program is going on in collaboration with the provinces on this very problem. The question has also been referred for advice to the national Canada Manpower and Immigration Council. Last June I asked the council to take a careful look at the occupational training of adults to determine whether the provisions of the program, including allowances, should be extended to groups not presently eligible. I went on to say to them:

> I would like you to do this, bearing in mind the need to maintain the present intensity of coverage of groups now included in the training program and the nature of the federal government's role in adult training.

With the help of the research program undertaken with the provinces, and advice from the national council, we shall be able to arrive at a policy on bringing additional groups into the training program, bearing in mind our wish to do the best job we can within the budget now available.

The hon. member for Vancouver-Kingsway (Mrs. MacInnis) mentioned the 52-week period. We have this matter under consideration now. We are working toward making it more flexible; our desire is to do more by way of upgrading, to go beyond the 52 weeks. This is very much in our minds and we hope to reach some decision on it. We have made some changes in our commuting allowances—

Mrs. MacInnis: May I ask the minister whether he intends to do something about removing discrimination against women?

Mr. MacEachen: The hon. member puts the question in a way which I do not accept. She is speaking of a rule which is applicable to all persons, men and women, in relation to their attachment to the labour force. What she is really asking is whether we would remove discrimination—

Some hon. Members: Oh, oh!

Mr. MacEachen: I do not mind the word "discrimination" here, because when you make a distinction of any kind it amounts to an exercise in discrimination. In this case it is not a discrimination against women because it relates to all members of the labour force.

Mrs. MacInnis: May I put my question more clearly? Is the minister considering declaring that women who have been engaged for three years in the labour of their homes shall be counted as members of the labour force for the purposes of the act?

Mr. MacEachen: That would imply a major policy change. Obviously, we shall consider it. The hon. lady has a private members' bill on the Order Paper in her name and she has made her case today. We shall consider it. May I conclude by thanking hon. members for raising this subject and for giving me an opportunity to expose the splendid Canada Manpower Training Program.

Mr. Knowles (Winnipeg North Centre): You have certainly exposed it.

Mr. Baldwin: Indecent exposure!

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, April 13, 1970

The House met at 2 p.m.

PRIVILEGE

MR. DOUGLAS (NANAIMO-COWICHAN-THE ISLANDS)—STATEMENTS BY MINISTERS RESPECTING AUDITOR GENERAL

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise on a question of privilege affecting the rights and prerogatives of Parliament. My question of privilege has to do with the statements which have recently been made by ministers of the Crown respecting the Auditor General of Canada.

On March 25, on the Canadian Broadcasting Corporation national news, the President of the Privy Council (Mr. Macdonald) said:

—we don't regard it as being his responsibility to criticize the underlying policy involved in certain decisions. It is Parliament's responsibility and the government as approved by Parliament for deciding on the policy. We don't think it is the Auditor General's prerogative to comment on that.

More recently, on the CBC program "Encounter" on April 11, 1970, the President of the Treasury Board (Mr. Drury), referring to the Auditor General, said:

He has expressed his view as to the appropriateness of some government policies. Now, in this sense he is pitting his judgment as to sound business practice, sound governmental policy, against the government, and not unnaturally you would not expect a government in every instance to agree with his judgment. I wonder myself whether the Auditor General should cast himself in this role or whether we should look for really another kind of person to be Auditor General—

No one needs to remind the House that the Auditor General is an officer of Parliament, that it is his duty to report to Parliament any improprieties or wasteful expenditures which he encounters in the pursuance of his duties. Naturally there will be times when the members of the government will disagree with the opinions expressed by the Auditor General in his report. If they disagree they have two courses of action open to them. First, if the government finds that the criticisms of the Auditor General are uncalled for and unjustified, it can place its case before the Public Accounts Committee. That is the place for the government to argue that the Auditor General has exceeded his responsibilities and has dealt with policy matters rather than expenditures. The government at that time is in a position to explain any extenuating circumstances as to why the government made expenditures which were not authorized by Parliament and not made on the basis of statutes.

• (2:10 p.m.)

The government has a second remedy open to it. If it believes that the Auditor General is incompetent and that he is incapable of interpreting his responsibilities accurately, the government can introduce a motion into both Houses of Parliament calling for his dismissal. The House at that time would have an opportunity to hear the government state its case and to make a decision on the basis of all the facts presented. These are two things the government can do.

I submit to you, Sir, that what it cannot do is harass and intimidate the Auditor General, nor bludgeon him into silence.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): It seems to me very clear that the government has two choices. If it is dissatisfied with the services of the Auditor General it should introduce a motion into this House to fire him. If it does not care to do that it should contain itself, let us argue the question out before the Public Accounts Committee, and allow the Auditor General to continue his work of being the watchdog of Parliament and the protector of the public purse.

My question of privilege is that an officer of Parliament in the pursuance of his duty is being intimidated and harassed in such a manner as to interfere with the proper pursuance of his responsibilities as the Auditor General. If Your Honour finds that there is a prima facie case of privilege, I am prepared to move a motion to that effect.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands has given the required notice to the Chair of his intention to raise this very important matter by way of a question of privilege. During the last few hours I have had occasion to reflect very seri-

ously on the point raised by the hon. member, to study precedents and look at the authors of the original decisions, and to prepare for a decision in light not only of the notice but of the arguments now presented to this House by the hon. member for Nanaimo-Cowichan-The Islands.

The hon. member knows that the ruling which the Chair has to make at this time is a procedural one, that is, to determine whether, according to our rules of practice and precedents, in these circumstances alluded to by the hon. member there is a prima facie case of privilege. Hon. members are aware, of course, of the traditional definition of parliamentary privilege. It has been my privilege from time to time to give what I thought was the proper definition of this very important aspect of the rights, duties and responsibilities of members in both houses, and my definition has always been based on the one reported in May's Parliamentary Practice.

According to May, Parliamentary privilege is the sum of peculiar rights enjoyed by each House collectively and by members of each House individually without which they could not discharge their functions and which exceed those possessed by other bodies or individuals. Perhaps I should stress here that the reference by May is to the discharge of their functions by Members of Parliament themselves, not by an officer of Parliament or an official of the House of Commons. Thus, privilege, although part of the law of the land, is to a certain extent an extension to the ordinary law and an exemption in a way from the ordinary law of the land. In the words of the learned author, it is when these special and exclusive rights of members appear to have been impeded that a prima facie case of privilege, and a motion founded thereon, can be considered either by the House or by a committee.

Is criticism of an official responsible to Parliament, such as the Auditor General, in the terms allegedly used by the President of the Treasury Board or earlier by the President of the Privy Council, tantamount to a breach of parliamentary privilege?

In attempting to answer this question one must remind hon. members that if it is the conduct of a minister or ministers of the Crown that is under question, then the matter can be considered by this House only by way of a substantive motion. I do not believe this is what the hon. member for Nanaimo-Cowichan-The Islands had in mind. But if this were the approach he presented to the House and if he wanted to bring before the committee on Privileges and Elections the conduct of members of the government or individual members of this House in respect of the Auditor General's discharge of his responsibilities, then this could be done only by way of a substantive motion.

Hon. members are aware of the well-known decision of Mr. Speaker Michener reported in the *Journals* of the House of Commons for June 19, 1959 at pages 581 and following, which I think is relevant and has been quoted by subsequent Speakers on numerous occasions. If it is a grievance which the hon. member has against the administration, then the matter might be raised more properly by way of a censure motion against the government.

The third point I should like to propose for the consideration of hon. members has been made in a sense by the hon. member himself in his presentation of a moment ago. It relates to the fact that the Auditor General's report is now before the Standing Committee on Public Accounts. It may well be that the Committee on Public Accounts rather than the Committee on Privileges and Elections is the proper forum for the consideration of the matter raised by the hon. member for Nanaimo-Cowichan-The Islands. This, I would think, is a conclusion to which I would like to come. All things considered, and without in any way minimizing the importance of the matter raised by the hon. member, I do not think it should be considered by the House in the form of a question of privilege.

[Mr. Speaker.]

ROUTINE PROCEEDINGS

AUDITOR GENERAL

CRITICISMS BY MINISTERS—REQUEST (MR. BALDWIN) FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I intend to ask unanimous consent under Standing Order 43 for the purpose of putting a motion to the House. In doing so I am fortified by the excellent presentation by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who has laid the first foundation for my motion.

The continued attacks on the Auditor General in the exercise of his duty by members of the government, including the statements made by the President of the Treasury Board (Mr. Drury) in a television interview on April

11, constitute an unprecedented and arrogant threat to the Auditor General which would result in limiting supervision of the spending of the taxpayers' money. Without the means and opportunity to defend himself, the government should not stoop to attacks of this kind which weaken the position of the Auditor General and his effectiveness in dealing with the public accounts of Canada. If they are satisfied that he is in breach of his duty they have a remedy under the Financial Administration Act.

I therefore ask leave to put the following motion:

That this House regrets the continued attacks by members of the government on the Auditor General of Canada who, in the exercise of his duty, has justified the confidence of the House by making annual reports to Parliament without fear or favour.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Peace River. The motion can be put at this time for consideration by the House if there is unanimous agreement. I must ask whether there is unanimity.

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: Since there is not agreement the motion cannot be put.

• (2:20 p.m.)

Mr. Diefenbaker: Trampling on the rights of Parliament!

An hon. Member: The just society!

CRITICISMS BY MINISTERS—REQUEST (MR. KNOWLES, WINNIPEG NORTH CENTRE) FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I too rise to ask for the consent of the House to make a motion under Standing Order 43. The Standing Order reads as follows:

A motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the House without notice having been given under Standing Order 42.

The explanation I wish to give is very brief. The situation which has been the subject matter of the last two interventions is a very serious one, but there is something we can do in a moment to resolve it. I ask that when the Prime Minister hears my motion he request those on his side of the House not to object to its being put.

Some hon. Members: Oh, oh!

Mr. Aiken: What about the Prime Minister?

Mr. Diefenbaker: What a hope!

Mr. Knowles (Winnipeg North Centre): I accept your ruling, sir, that there was not a question of privilege as privilege is defined, but by unanimous action the House can do something to resolve the situation. I respectfully request that consideration be given to the granting of unanimous consent, and on that basis I move:

That this House reaffirms its confidence in Mr. Maxwell Henderson as Auditor General of Canada.

Some hon. Members: Hear, hear.

Mr. Fairweather: What about that, boys?

An hon. Member: Say "no".

Mr. Speaker: I will not make a ruling at this time on whether it is in order according to the Standing Orders to have more than one motion on the same subject under Standing Order 43. I have never seriously considered the point, and this would not be an appropriate time to make that kind of ruling. With this reservation I will accept the motion proposed by the hon. member from the procedural stand point, and ask whether the House gives unanimous consent under Standing Order 43 for the motion to be put now?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is no unanimity and therefore the motion cannot be put.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. Is there not some way for those who said "no" to identify themselves?

Some hon. Members: Oh, oh!

Mr. Diefenbaker: The Prime Minister is included.

An hon. Member: The hon. member for Hamilton-Wentworth rises in his place.

Mr. Bell: Make him a Parliamentary Secretary.

Mr. Trudeau: Maybe even a minister.

An hon. Member: Give him a judgeship.

Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

MINISTERS' OFFICES IN CONSTITUENCIES

Question No. 328—**Mr. Coates:**

1. How many Cabinet Ministers have offices located in their constituencies that are maintained at government expense and in each instance, is the office in question located in a government building and, in those cases, where they are not, what is the cost to the federal government for office rentals?

2. How many Cabinet Ministers, who have constituency offices, have these offices staffed and, in each instance, what is the name of the Cabinet Minister, the location of the constituency office, the names of the person or persons in the constituency office and the salary they receive from the federal government?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. Offices in Ministers' Constituencies:

Minister	Constituency	Type of building	Location
Rt. Hon. P. E. Trudeau	Mount Royal	Rented	5250 Ferrier St., Montreal 308, Que. Annual rent $7,360.20
Hon. A. J. MacEachen	Cape Breton Highlands-Canso	Federal	Inverness, N.S. Port Hawkesbury, N.S.
Hon. E. J. Benson	Kingston and the Islands	Federal	Kingston, Ont.
Hon J. L. Pepin	Drummond	Federal	Drummondville, Que.
Hon. J. J. Greene	Niagara Falls	Federal	551 Clifton Ave., Niagara Falls, Ont.
Hon. J. P. Côté	Longueuil	Federal	Post Office Building, Longueuil, Que.
Hon. B. Mackasey	Verdun	Federal	Verdun, Que.
Hon. D. S. Macdonald	Rosedale	Federal	241 Jarvis St., Toronto, Ont.
Hon. G. Pelletier	Maisonneuve	Rented	3450 Ontario St., East, Montreal, Que. Annual rental $1,675.80
Hon. H. A. Olson	Medicine Hat	Federal	Medicine Hat, Alta.
Hon. R. Basford	Vancouver Centre	Federal	1001 West Pender St., Vancouver, B.C.
Hon. E. Kierans	Duvernay	Federal	6084 Blvd. Lévesque, St-Vincent de Paul, Que.
Hon. R. K. Andras	Port Arthur	Federal	318-33 Court St., South, Port Arthur, Ont.

2.

Minister	Location	Staff	Salary Scale $
Rt. Hon. P. E. Trudeau	Suite 804, 5250 Ferrier St., Montreal 308, Que.	Miss S. Granda	5,000- 7,500
Hon. E. J. Benson	Kingston, Ont.	Mrs. H. McKenna	5,000- 7,500
Hon. J. J. Greene	551 Clifton Ave., Niagara Falls, Ont.	Mrs. Lydia Shannon	5,000- 7,500
Hon. J. P. Côté	Post Office Bldg., Longueuil, Que.	Mrs. Marthe Dubois	5,000- 7,500

Minister	Location	Staff	Salary Scale
Hon. B. Mackasey	Verdun, Que.	Mrs. H. Filion	5,000- 7,500
Hon. D. S. Macdonald	241 Jarvis St., Toronto, Ont.	Mr. Gerald Tooke	7,500-10,000
Hon. G. Pelletier	3450 Ontario St., East, Montreal, Que.	Mr. Charles Tremblay	5,000- 7,500
Hon. H. A. Olson	Medicine Hat, Alta.	Mrs. M. M. Anhorn Mrs. I. M. Burton	2,500- 5,000 2,500- 5,000
Hon. R. Basford	1001 West Pender St., Vancouver, B.C.	Miss Helen Lamont	2,500- 5,000
Hon. J. L. Pepin	Drummondville, Que.	Miss L. Beaudry	2,500- 5,000
Hon. E. Kierans	6084 Blvd. Lévesque, St-Vincent de Paul, Que.	Miss Anny Kinkela	5,000- 7,500
Hon. R. K. Andras	318-33 Court St., South, Port Arthur, Ont.	Mr. Fred Baker	7,500-10,000

PUBLIC SERVICE PERMANENT AND CASUAL EMPLOYEES

Question No. 732—**Mr. Coates:**

1. What was the total number of permanent employees in the Public Service of Canada at the time that the Prime Minister announced the government's austerity program?

2. What was the total number of casual employees in the Public Service of Canada at the time that the Prime Minister announced the government's austerity program?

3. What is the total number of permanent and casual employees in the Public Service of Canada as of today?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. 204,129.

2. 30,058.

3. 219,885.

TEMPORARY AND CASUAL EMPLOYEES, POST OFFICE DEPARTMENT

Question No. 806—**Mr. Macquarrie:**

1. How many temporary employees were hired by the Post Office Department during December 1969?

2. What was the number hired in Montreal, Toronto, Vancouver, Winnipeg, Halifax, Saint John, N.B., St. John's, Nfld., Charlottetown, Quebec City, Ottawa, Victoria, Edmonton, Calgary, Regina and Saskatoon?

3. What was the hourly wage rate in each of these cities?

4. (a) In what centres, other than those mentioned in Part 2, were casual employees hired (b) what was the number and total wage in each case?

5. What was the estimated total cost of providing mail service on the three Saturdays preceding Christmas 1969?

6. How much of this is accounted for by (a) wages for casual employees (b) overtime for regular employees (c) other factors?

7. How many protests were received by the Post Office Department concerning payment of casual employees at a rate below the generally prevailing minimum wage rate?

8. From what groups or individuals were such protests received?

9. What was the nature of the reply given?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. 61,935.

2. Montreal, 7,109; Toronto, 7,786; Vancouver, 4,704; Winnipeg, 2,401; Halifax, 899; Saint John, N.B., 552; St. John's, Nfld., 353; Charlottetown, 95; Quebec City, 979; Ottawa, 2,122; Victoria, 806; Edmonton, 2,035; Calgary, 2,162; Regina, 581; Saskatoon, 485.

3. (a) $1.25 for unskilled inside duties; (b) $1.50 for heavy work and outside duties; (c) $1.75 for trained help who perform duties commensurate with their training.

4. (a) 408 Staff post offices, 1,769 semi-staff post offices; (b) the number of temporary helpers employed in each case is not available. Estimated cost, $2,077,887.

5. Exact figures for the cost of the operations for the Saturdays preceding Christmas 1969 were not segregated from the over-all Christmas costs. The estimate of $350,000 per day as outlined on Pages 1891, 1892 of *Hansard*, on December 11, 1969, for delivery of mail is still considered a representative amount of the overtime paid to Letter Carriers for each of these days. In addition,

Christmas help was supplied to the extent of approximately $80,000 on each of the days. The costs of the normal Saturday operation or additional administration and transportation costs on these days are not included.

6. (a) Approximately $80,000; (b) approximately $350,000; (c) information not available.

7. 17.

8. British Columbia Federation of Labour; Women's Caucus, Vancouver; Burnaby Civic Employees; CUPW, Local 23 Vancouver; CUPW, Local 23 Halifax; Pulp and Paper Workers of Canada; Winnipeg and District Labour Council CLC.

9. Federal minimum rate was applied.

MOVEMENT OF COMPANIES AND BUSINESSES FROM QUEBEC

Question No. 833—**Mr. Robinson:**

1. How many companies and/or businesses have moved out of Quebec in each year 1960 to 1969 inclusive and where did they subsequently locate in Canada or elsewhere?

2. What was the reason, if any, given for the move in each case?

3. How many companies and/or businesses have moved into Quebec in each year 1960 to 1969 inclusive and where did each locate?

4. Have any of those in Part 3 subsequently moved from Quebec and, if so, where to and for what reason?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): In so far as the Dominion Bureau of Statistics is concerned: 1, 2, 3 and 4. Information requested is not available.

NATIONAL FILM BOARD—APPLICATION OF FILM CHARGES AT OVERSEAS LOCATIONS

Question No. 920—**Mr. Rose:**

1. Are the new charges announced for bookings of National Film Board films to be applied at overseas locations as well as in Canada?

2. Are these charges to be applied in all cases of showings or bookings of films which have been commissioned by government departments?

Hon. Gérard Pelletier (Secretary of State): Rental charges for films have now been cancelled.

PROJECTED DEMAND FOR FILM PRODUCTION

Question No. 922—**Mr. Rose:**

1. Has the government made any projections of the demand for films in Canada in the future for various uses and, if so, what are the names of any such studies and what were their conclusions?

[Mr. Kierans.]

2. Has the government made any study of the effect of the size of firm on the per unit costs of film production?

3. (a) What is regarded as the optimal size of plant for film production of various kinds (b) how many film production firms are there above and below this optimum and what are their names?

4. What percentage of the film production firms in the two categories and in total are (a) Canadian owned (b) foreign owned?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. In the opinion of the National Film Board, demand for films in Canada in the future will depend on (1) growth of population by various age groups; (2) increase in educational facilities; and (3) economic well-being of various age groups. No formal study has been conducted by the National Film Board but its distribution officers across Canada keep informed of new developments.

2. Based on tenders received by the National Film Board from film producing companies, the size of a firm on the per unit cost of film production is not significant.

3. With few notable exceptions, film producing companies do not maintain a technical services plant. These services are obtained from companies operating processing laboratories, sound recording studios, stage facilities, etc.

4. This information is not available to the National Film Board.

[*English*]

CANADIAN DOCTOR/POPULATION RATIO

Question No. 992—**Mr. Mather:**

For the years 1955, 1960, 1965, 1966, 1967, 1968 and 1969, what was the Canadian doctor/population ratio?

Hon. John C. Munro (Minister of National Health and Welfare): The population/physician (including graduate junior interns) ratio in Canada was as listed below:

Year (as of December 31 of that year)	Population/ physician ratio
1955	929
1960	828
1965	779
1966	763
1967	749
1968	744
1969	718

C.B.C. PURCHASE OF U.S. PROGRAMS

Question No. 1,005—**Mr. Orlikow:**

How much has the CBC paid in each of the past five years for the purchase of US programs (a) drama—including all filmed drama whether theatrical, film or television series (b) light entertainment—television specials, regular variety and light entertainment programs (c) public affairs programs (d) sport or other programs?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows:

Records have not been kept in such a way that CBC expenditures for U.S. and other program purchases can be determined by program category. A review of available information reveals that, although total expenditures for U.S. programs have risen, as indicated below, this has been due generally to rising costs rather than to a proportionate increase in U.S. program purchases which did not change appreciably over the five year period. The following figures are approximate gross expenditures by CBC English and French-language services for U.S. program purchases, the cost of which was recovered, with minor exceptions, through commercial revenue. In $000's: 1965, $5,500; 1966, $6,000; 1967, $6,400; 1968, $7,400; 1969, $7,600.

[*English*]

RESTORATION OF LONG HARBOUR FISHERY

Question No. 1,100—**Mrs. MacInnis:**

1. Following the answer by the Department of Fisheries and Forestry to Question Number 2,470 of the First Session of this Parliament, has long Harbour, Newfoundland now been reclaimed for fishing?

2. What steps were taken to make this possible?

3. Were all of these measures taken by the Electric Reduction Company of Canada?

4. Was the Government of Canada involved in any expense and, if so, in what amount?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Yes.

2. Dredging was done.

3. Yes.

4. Yes. (i) Loans to fishermen outstanding, $100,000. (ii) Fish purchase program: total purchase cost to date, $211,000; total value of sales, $43,200; Total, $167,800. (iii) Claim outstanding concerned with purchase program (awaiting headquarters decision) $12,000. Total: $279,800.

APPLICANTS FOR THIRD TORONTO TELEVISION CHANNEL

Question No. 1,108—**Mr. Robinson:**

1. How many applications have been made for the third TV channel to be located in Toronto?

2. Who are the applicants and what is the address of each?

3. What other radio or TV outlets does each have at the present time?

4. What remuneration will be received by the federal government for the award of the TV channel?

5. What criteria will be utilized in order to determine which applicant will be accepted?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Radio-Television Commission as follows: 1. The CRTC has at present three (3) applications for a UHF-TV licence at Toronto.

2. The applicants are: A company to be incorporated represented by David Goldberg, Suite 812, 321 Bloor St. East, Toronto. A company to be incorporated represented by Leslie A. Allen, c/o 2 Ellen Str., Brampton, Ontario. A company to be incorporated represented by H. J. Foley, c/o B. M. Thall, 80 King Street West, Toronto.

3. The partners to "a company to be incorporated" are confidential and would not be made public until a date for a public hearing of the application has been announced.

4. None. Each broadcasting station pays an annual licence fee.

5. The following are the important factors to be considered by the CRTC in the granting of a new licence: (a) Coverage of the proposed station; (b) Nature of the facilities to be provided by the applicant; (c) Composition of the initial Board of Directors of the Company; (d) Distribution of the voting stock in the Company, and the location of effective control; (e) General plan of financing; (f) Financial capacity of those involved in the application; (g) Experience and standing of those involved in the application; (h) Association of the applicants with other media of communication; (i) Estimates of expected revenue and of the capacity of the market to support an additional television station; and particularly of the capacity of the market to meet the full costs of the service to which the applicant would be committed. (j) Establishment proposed by the applicant, and the experience and capacity of the personnel, particularly the management personnel, to be appointed;

(k) Manner in which the programming policies of the station would be determined and implemented; (l) The program commitments of the applicant in relation to the requirements of the Act and the regulations that the service be varied, of a high standard, and basically Canadian in content and character; (m) Characteristics of the community, the nature of the available broadcasting service, and the capacity of the applicant to meet the varied needs of the proposed service area.

[*English*]

REJECTION BY UNIONS OF APPEALS FOR MODERATE WAGE DEMANDS

Question No. 1,118—**Mr. Southam:**

1. In its effort to combat the present high inflation cycle in Canada, is it the government's intention to make a special enquiry into the problem of "why unions reject appeals to moderate wage demands"?

2. What reason is being given by CLC and CNTU that any program of voluntary restraint on wages will be rejected?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1 and 2. No. The Prices and Incomes Commission has engaged in a series of exploratory discussions with the executives of the CLC and the CNTU, with a view to broadening the restraint program, endorsed by the Federal/Provincial Conference of First Ministers at their meeting on February 16-17, 1970 to include wage and salary earners. This subject was discussed at public meetings between the Government and the CLC and the CNTU on March 23, 1970.

FEDERAL CONSIDERATION OF OUTLAWING TOBACCO ADVERTISING

Question No. 1,146—**Mr. Robinson:**

Is the federal government considering the advisability of outlawing the advertising of tobacco?

Hon. John C. Munro (Minister of National Health and Welfare): The Department of National Health and Welfare is examining the recommendations of the House of Commons Standing Committee on Health, Welfare and Social Affairs concerning cigarette advertising, as well as other suggestions made by the Committee.

COMPANY OF YOUNG CANADIANS PERSONNEL

Question No. 1,183—**Mr. Robinson:**

1. How many (a) staff members (b) volunteers (c) consultants (d) others have been employed by and/or involved in the Company of Young Canadians in each year since its inception?

[Mr. Pelletier.]

2. How many have joined the Company of Young Canadians and how many of (a), (b), (c) and (d) in Part 1 have left the Company of Young Canadians in each year since its inception?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. The number of persons employed by the C.Y.C. in each year since its inception is: (a) Staff: 1966 to April 1967, 73; April 1967 to December 1967, 117; January 1968 to December 1968, 107; January 1969 to December 1969, 136.

(b) Volunteers: 1966 to April 1967, 136; April 1967 to December 1967, 267; January 1968 to December 1968, 288; January 1969 to December 1969, 333.

(c) Consultants: 1966 to April 1967, 30; April 1967 to December 1967, 21; January 1968 to December 1968, 23; January 1969 to December 1969, 35.

(d) Council members: 1966 to April 1967, 30; April 1967 to December 1967, 21; January 1968 to December 1968, 23; January 1969 to December 1969, 35.

2. The number of persons who joined the C.Y.C. and the number of persons who left the C.Y.C. are as follows: (a) Staff: 1966 to April 1967, 64 joined, 19 left; April 1967 to December 1967, 53 joined, 42 left; January 1968 to December 1968, 30 joined, 60 left; January 1969 to December 1969, 29 joined, 96 left.

(b) Volunteers: 1966 to April 1967, 95 joined, 18 left; April 1967 to December 1967, 184 joined, 65 left; January 1968 to December 1968, 158 joined, 108 left; January 1969 to December 1969, 153 joined, 176 left.

(c) Consultants: 1966 to April 1967, 10 joined, 21 left; April 1967 to December 1967, 3 joined, 16 left; January 1968 to December 1968, 10 joined, 24 left; January 1969 to December 1969, 1 joined, 24 left.

(d) Council members: 1966 to April 1967, 30 joined, 11 left; April 1967 to December 1967, 3 joined, 3 left; January 1968 to December 1968, 5 joined, 3 left; January 1969 to December 1969, 15 joined, 24 left.

[*English*]

PURCHASE OF U.S. TELEVISION PROGRAM, "SESAME STREET"

Question No. 1,218—**Mr. Rose:**

Is CBC now giving favorable consideration to the purchase of the television program Sesame Street from the United States' National Educational Television network and, if so, will CBC purchase this

program in accordance with the instructions of the producers that it must be aired completely free of commercials?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC that it is in the process of negotiating purchase of the program and that a condition of sale, to the effect that commercials cannot be scheduled during the program content, would have to be met.

[*English*]

HALIFAX, MONTREAL, TORONTO HARBOURS—FEDERAL EXPENDITURES

Question No. 1,228—**Mr. Chappell:**

What is the total amount spent by the federal government for maintenance, improvements or development of the harbours and port facilities at Halifax, Montreal and Toronto during each of the past five years?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): The following expenditures were made from Department of Public Works funds:

Year	Halifax	Montreal	Toronto
	$		$
1965	500	Nil	87,500
1966	1,500	Nil	253,400
1967	10,000	Nil	732,200
1968	4,600	Nil	123,800
1969	2,100	Nil	7,000

In respect of harbours administered by the National Harbours Board the amounts are

	Halifax		Montreal	
	Maintenance	Capital	Maintenance	Capital
	$	$	$	$
1965	367,336	1,352,020	2,245,338	6,811,289
1966	474,679	3,875,796	2,222,575	11,032,522
1967	459,039	3,380,024	2,761,206	7,525,691
1968	407,218	916,752	2,556,328	5,002,238
1969	497,191	4,590,840	5,771,301	3,478,900

NATIONAL CAPITAL COMMISSION CHAIRMAN

Question No. 1,232—**Mr. Coates:**

1. On what date was the Chairman of the National Capital Commission appointed to his present position, what was the term of the appointment and what is his annual salary?

2. Were any special conditions associated with his appointment regarding his personal involvement in other work of any type and, if so, what are these conditions and what specific amount of time must the Chairman devote to the work of Chairman of the National Capital Commission?

3. Have former Chairmen of the National Capital Commission had similar arrangements associated with their appointment to that position?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. The Chairman of the National Capital Commission was appointed September 1, 1969, for a term of four years. His salary is within the range of a DM 1 ($28,000-$33,000).

2. That he devote 75 per cent of his time to the function of Chairman and that any outside duties not involve a conflict of interest with his NCC duties.

3. Yes.

CHARTERED SCHOLARSHIP TRUST PLANS

Question No. 1,239—**Mr. Nystrom:**

1. (a) How many scholarship trust plans have been chartered by the federal government and what are the terms of reference acceptable for their establishment (b) what obligation is there to file financial statements (c) are minutes of the meetings public documents (d) have any federally chartered scholarship plans gone into bankruptcy or defaulted (e) have any provincially chartered scholarship plans gone into bankruptcy or defaulted (f) what guarantees are made for subscribers or members (g) are there any restrictions on where the scholarship plan funds are to be invested and how or where and, if so, what are the investment requirements?

2. Does the federal government have any plans to absorb any such Canadian chartered scholarship trust plans into a national scholarship fund?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. (a) Five scholarship trust plans have been chartered by the Federal government, two of which have been dissolved. There have been no recent Federal incorporations of such plans.

(b) The existing corporations were incorporated under Part II of the Canada Corporations Act as non-profit no share capital corporations and no financial statements are required to be filed with this Department. However, the existing corporations enter trust agreements with recognized trust companies which in turn provide participants in the plan with financial details.

(c) Minutes of the meetings are not public documents.

(d) No federally chartered trust plans have gone bankrupt; however two such corporations have been dissolved for default in filing notices.

(e) Information not available.

(f) Any guarantees that might be made for subscribers and members would be covered

as a matter of contract between them and the corporation.

(g) The investment of funds would be governed by contract and trust company law.

2. No.

"WEEKEND" PROGRAM, "LAW AND ORDER—PRAIRIE STYLE"

Question No. 1,267—**Mr. Dinsdale:**

1. Has CBC or CRTC received any complaints or commendations with respect to the "Weekend" program for February 1, 1970, entitled Law and Order—Prairie Style?

2. How many complaints were made, by whom and what was the nature of the complaints?

3. What action has been taken by (a) CRTC (b) CBC?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation and the Canadian Radio-Television Commission as follows: 1 and 2. The CRTC received one unfavourable comment referring to certain alleged inaccuracies. The CBC received 8 favourable and 18 unfavourable comments. The unfavourable comments came from a number of individual viewers, the Regina Chamber of Commerce and the Regina Responsible Citizens Committee. The complaints varied but basically contended that the subject was not given a fair presentation.

3. (a) The CRTC noted the observations and referred the complaint to CBC which is normal practice where there is no clear evidence of infraction to the Broadcasting Act or regulations. (b) The reaction was made known to the program people of the CBC directly concerned.

[*English*]

CONVERSION OF COLLEGE ST. JEAN, EDMONTON, TO FRENCH LANGUAGE UNIVERSITY

Question No. 1,273—**Mr. Lambert (Edmonton West):**

1. Has the federal government received a proposal from the Government of Alberta for the conversion of College St. Jean, Edmonton to a French language university specializing in teacher training within the framework of the $50 million fund made available since January 1, 1970?

2. What has been the response to this proposal?

3. What would be the reasons for the government's reaction to the proposal?

[Mr. Forest.]

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): 1. Last summer, before the announcement of the proposals of the federal government concerning cooperation with the provinces with respect to bilingualism programs in the field of education, the Secretary of State Department received an enquiry from the Department of Education of Alberta concerning the possibility of making use of the College St. Jean in Edmonton as a centre for the training of bilingual teachers in the West. Subsequently, the government announced proposals concerning cooperation with the provinces on November 6. Since then the Under-Secretary of State has written to the western provinces seeking their views on the matter of a teacher training institute for the West. Provincial comments have not yet been received.

2. See (1).

3. See (1).

[*English*]

CANADA COUNCIL RESEARCH GRANT TO PROFESSOR WILLIAM MORRISON

Question No. 1,276—**Mr. Dinsdale:**

Is Professor William Morrison of the University of Manitoba in receipt of a Canada Council research grant and, if so (a) what is the amount of the grant (b) what is the nature of the research (c) will the results of Professor Morrison's research be published?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canada Council as follows: Yes. (a) $2,500. (b) Prof. Morrison, a sociologist working in cooperation with the departments of psychiatry of the Manitoba School of Medicine and the Winnipeg General Hospital, conducted a scientific inquiry on the social characteristics and the attitudes of women engaged in prostitution. (c) Not known. While the Canada Council expects recipients of its Research Grants to make the results of their research known to other scholars, it is the researcher who chooses the means of doing so.

[*English*]

POST OFFICE DEPARTMENT—CONSTITUENCY OF RICHMOND PERSONNEL

Question No. 1,287—**Mr. Beaudoin:**

By year since 1966, in the constituency of Richmond (a) how many employees has the Post Office Department paid (b) what is the number of (i) full-time employees (ii) part-time employees (c) how many part-time employees are (i) 21 years of age or under (ii) 22 to 49 years of age (iii) 41 to 65 years of age (iv) 65 years of age or over (d)

how many full-time employees are (i) 21 years of age or under (ii) to 40 years of age (iii) 41 to 65 years of age (iv) 65 years of age or over (e) what is the average annual wage by each of the age categories mentioned in Parts (c) and (d)?

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

		1966	1967	1968	1969
(a)		20	20	21	22
(b)	(i)	13	14	15	15
	(ii)	7	6	6	7
(c)	(i)	1	1	1	2
	(ii)	5	3	3	4
	(iii)	1	2	2	1
	(iv)	nil	nil	nil	nil
(d)	(i)	1	1	nil	nil
	(ii)	2	3	5	5
	(iii)	10	10	10	10
	(iv)	nil	nil	nil	nil

(e) Part-time employees: Under 21, 3,145.05; 22 to 40, 2,023.62; 41 to 65, 2,448.58; over 65, nil.

Full-time employees: Under 21, 4,637; 22 to 40, 4,896,27; 41 to 65, 5,773,33; over 65, nil.

COMPANY OF YOUNG CANADIANS—CANCELLATION OF PROJECTS 1968-1969

Question No. 1,309—**Mr. Robinson:**

1. How many projects of the Company of Young Canadians were cancelled in the years 1968 and 1969?

2. How many proposed projects for the year 1970 have been cancelled or will be cancelled?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. 1968-69, 2; 1969-70, 3.

2. The CYC has received more than a dozen new project submissions. None of these submissions have been rejected to date although practical considerations could limit the acceptance of some.

[*English*]

NATIONAL ART GALLERY—PURCHASE OF DEGAS PAINTING

Question No. 1,328—**Mr. Alexander:**

Did the National Art Gallery buy the Degas painting "Woman With Umbrella" and, if so, at what cost?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Museums of Canada as follows: The National Art Gallery did buy the *Woman with Umbrella* by Degas. Prices for works of art are regarded as confidential by the Board of Trustees of the National Museums of Canada. It was bought within the regular appropriation for the purchase of works of art for the National Gallery within the fiscal year 1969-1970.

[*English*]

NATIONAL FILM BOARD LIBRARY, DETROIT

Question No. 1,335—**Mr. Burton:**

1. Has the National Film Board Library in Detroit been closed and, if so, on what date?

2. When was the Library in Detroit opened?

3. How many films were held in the Library prior to its closure, and how many people were employed there?

4. How many film bookings were made in each of the last three full years prior to closure?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. Yes. January 31, 1970. (Operations transferred to Chicago NFB office.)

2. July 1, 1967.

3. 1,048 prints of 308 titles. Staff: 3 full-time; one part-time.

4. Television bookings: 1967, 173; 1968, 996; 1969, 1,588. Other bookings: 1967, 1,910; 1968, 6,638; 1969, 6,898.

[*English*]

NATIONAL FILM BOARD LIBRARY, NEW YORK

Question No. 1,336—**Mr. Burton:**

1. When was the National Film Board's Library of Travel Films opened in New York?

2. Prior to recent cutbacks, how many films were in the Library and how many people were employed in the Library?

3. How many films are now held in the Library and how many people are now employed there?

4. How many bookings of films were made in each of the last three full years of operation?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. 1948.

2. 1,438 prints of 335 titles. Staff: 3 full-time; one part-time.

3. 787 prints of 284 titles. Staff: 1 full-time; one part-time (part of operations transferred to Chicago NFB office).

4. Television bookings: 1967, 950; 1968, 1,017; 1969, 723. Other bookings: 1967, 18,093; 1968, 17,299; 1969, 16,622.

Questions

[*English*]

NATIONAL FILM BOARD OF CANADA FILM "PROLOGUE"

Question No. 1,338—**Mr. Paproski:**

1. What was the cost of the film "Prologue" recently completed by the National Film Board of Canada and currently being distributed?

2. What firm is responsible for the distribution of this film and under what arrangements?

3. Is the Abbie Hoffman who plays a leading role in the film "Prologue" the same Abbie Hoffman recently sentenced in Chicago?

4. What amount was paid to Abbie Hoffman for his appearance in this film?

5. Was there no Canadian actor available to play a leading role in this film and, if Canadian actors were available, who made the decision to include Abbie Hoffman in a starring role and what were the reasons behind that decision?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. Approximately $140,000.

2. In Canada, Columbia Pictures of Canada Limited. A percentage of net profit is payable to the National Film Board. In the USA, Vaudeo Inc., Washington, D.C. A percentage of net profit is payable to the National Film Board. In the United Kingdom, Contemporary Films Limited, London. A percentage of net profit is payable to the National Film Board. In Sweden, Sandrew Film and Teater A.B., Stockholm. A flat fee will be paid to the National Film Board. Negotiations for distribution in other countries are proceeding.

3. Yes.

4. $93.50.

5. Mr. Hoffman appeared in the film because he was part of the Chicago activities and was playing himself.

[*English*]

APPOINTMENT OF JOHN McGILP TO NEW POSITION

Question No. 1,347—**Mr. Howard (Skeena):**

1. Has a Mr. John McGilp (Regional Director of Indian Affairs) been appointed to another position within the public service and, if so, to what position and at what salary?

2. What were the minimum educational and experience requirements established for this position?

3. What are the qualifications of the said Mr. McGilp for the position?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Mr. McGilp has been

[Mr. Pelletier.]

selected and will be appointed to the position of Director, Community Affairs, in the Department of Indian Affairs and Northern Development as a Senior Executive Officer 1, which has a salary range of $19,000 to $23,500 per annum. He has been serving since January 12, 1970, as Director of Education in that Department, pending appointment of a continuing incumbent.

2. The requirements for the position of Director, Community Affairs are: A thorough knowledge of the Indian and Eskimo Affairs Program gained through a number of years' experience at senior levels of responsibility in the Department; A proven ability to plan, develop and implement policies and programs which ensure a political, economic and social self-determination amongst the Indian and Eskimo people; A demonstrated ability to communicate effectively with and gain the respect of native people, other government officials at a senior level, and members of the public.

3. Mr. McGilp has had extensive experience in Indian and Eskimo affairs, both in the Territories and in the Provinces, and has acquired a sound understanding of the social, economic and educational needs of the Indian and Eskimo people. He has also proven, in a number of assignments at increasing levels of responsibilities, his managerial and representational capabilities.

[*English*]

POST OFFICE DEPARTMENT—STATISTICS CONCERNING MAIL OF FOREIGN ORIGIN

Question No. 1,363—**Mr. Rodrigue:**

Has the Post Office Department any statistics concerning mail of foreign origin carried by the Department and, if so (a) what is the volume of such mail (b) what is the cost of delivery?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): (a) Information not available; (b) Information not available.

MARQUETTE CONSTITUENCY—POST OFFICE CONSTRUCTION

Question No. 1,375—**Mr. Stewart (Marquette):**

What new post office construction is planned in the constituency of Marquette for the fiscal year 1970-71, what is the estimated cost of each building and where will they be located?

Hon. Arthur Laing (Minister of Public Works): New Post Offices are planned at Oakburn and Sandy Lake. A new post office is

planned at Carberry under build-to-lease arrangements. Post office accommodation will be included in a new Public Building planned for construction at Minnedosa. Additional accommodation has been requested by the Post Office Department at Hamiota and Neepawa. This is under study. It is not customary to reveal estimated costs before contracts are awarded.

MARQUETTE CONSTITUENCY—PUBLIC WORKS PROJECTS

Question No. 1,376—**Mr. Stewart (Marquette):**

What projects are planned by the Department of Public Works, where will each be located and what is the estimated cost of each for the fiscal year 1970-71 in the constituency of Marquette?

Hon. Arthur Laing (Minister of Public Works):

Location	Project
Birtle	Post Office, painting and repairs
Rapid City	Post Office, painting
Rivers	Post Office, repairs
Shoal Lake	Public Building, repairs

Upgrading (paving) of the Trans-Canada Highway: From Provincial Trunk Highway No. 4 west of Portage La Prairie to Austin—22 miles. From north of Carberry to Brandon —22 miles.

The Department of Public Works plans to do the following work for other departments which will provide the funds:

Russel, Alterations to R.C.M.P. Detachment Quarters.

Riding Mountain National Park (for Department of Indian Affairs and Northern Development) Upgrading Survey of Highway 10.

It is not customary to reveal estimated costs before contracts are awarded.

APPLICATIONS RECEIVED FOR LICENCES FROM PATENT COMMISSIONER

Question No. 1,385—**Mr. Saltsman:**

1. What applications have been received under the Revised Patent Act for licences from the Patent Commissioner to manufacture or import and sell patented drugs up to the end of February, 1970?

2. What applications have been approved or refused by the Patent Commissioner?

3. What reasons were given for those drug patent applications that have been rejected?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Up to the end of February 1970 the Commissioner of Patents has received, under the Revised Patent Act, 62 applications for licences, of which 5 are applications to manufacture and sell patented drugs, and 57 are applications to import and sell patented drugs.

2. The Commissioner has issued to Micro Chemicals Limited of Toronto, Ontario a licence under patents registered in the name of Hoffmann-La Roche Limited to manufacture and sell the drug Diazepam. The Commissioner has issued detailed decisions to grant licences to import and sell drugs on five applications, as follows: (1) To Novopharm Limited of Scarborough, Ontario, a licence under patents registered in the name of Hoffmann-La Roche Limited to import and sell the drug Chlordiazepoxide Hydrochloride. (2) To Frank W. Horner Limited of Montreal, Quebec a licence under patents registered in the name of Hoffmann-La Roche Limited to import and sell the drug Diazepam. (3) To Sterilab Corporation Limited of Rexdale, Ontario a licence under a patent registered in the name of Etablissements Clin-Byla to import and sell the drug Acepromazine Maleate. (4) To Sterilab Corporation Limited of Rexdale, Ontario a licence under a patent registered in the name of Chas. Pfizer & Co. Inc. to import and sell the drug Oxytetracycline Hydrochloride. (5) To Novopharm Limited of Scarborough, Ontario a licence under a patent registered in the name of Chas. Pfizer & Co. Inc. to import and sell the drug Oxytetracycline Hydrochloride.

The Commissioner has so far refrained from issuing these 5 licences because his jurisdiction to grant licences to import and sell patented drugs has been questioned in an action before the Supreme Court of Ontario.

The Commissioner has decided to grant interim licences to the applicants in the first three of the above-listed applications. These interim licences will be issued in the course of the next few days when the applicants have complied with the statutory requirement to file a guarantee bond with the Commissioner.

Processing of all applications is being proceeded with as quickly as possible so that compulsory licences in all appropriate cases will issue automatically when the courts decide the Commissioner's jurisdiction to do so is upheld.

3. The Commissioner has refused to grant to Sterilab Corporation Limited of Rexdale, Ontario, a licence to import and sell the drug Hydrocortisone Sodium Succinate under a

patent registered in the name of the Upjohn Company, for the reason that Sterilab's application failed to meet the statutory requirements. Sterilab later filed a corrected application, which was accepted for consideration.

LAKE MANITOBA—ESTABLISHMENT OF BEACH PARKS

Question No. 1,417—**Mr. Simpson:**

1. In what areas were the three small beach parks established on Lake Manitoba as indicated at page 27 of the 1968-69 Annual Report of the Department of Regional Economic Expansion?

2. What were the total amounts of federal government moneys spent on each of these beach parks?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Lili Bay, The Narrows, and Steep Rock.

2. Nil. Through an editing error the Department's Annual Report indicated that these parks had actually been established, whereas it should have indicated only that preliminary investigative work was done and a decision taken that parks should be developed at these sites. Since the preparation of the report, there has been a further decision that work on the parks will not be done as a part of the Interlake Fred Plan but will be carried out by the provincial government in the future.

DESIGNATED AREA PLANTS CONTROLLED OUTSIDE CANADA

Question No. 1,443—**Mr. Rynard:**

1. How many companies, building plants in designated areas, are controlled outside of Canada?

2. How many are Canadian companies?

3. What was the cost in dollars for machinery and equipment purchased outside of Canada by companies controlled outside of Canada?

4. What was the cost in dollars of machinery and equipment purchased in Canada by foreign subsidiaries?

5. What percentage of machinery and equipment was obtainable in Canada at competitive prices?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1 to 5. Information in the form requested is not required by any Act of Parliament and is not available.

CPR EMPLOYEES' SALARIES, WAGES AND FRINGE BENEFIT PAYMENTS

Question No. 1,448—**Mr. Broadbent:**

1. What were the total wage and salary payments made by Canadian Pacific to its Railway employees for each year since 1960?

[Mr. Basford.]

2. What were the total wage and salary payments made by CPR to its employees whose wages and salaries were determined by collective agreement for each year since 1960?

3. What were the total wage and salary payments made by CPR to its employees whose wages and salaries were determined other than by collective agreement?

4. (a) What was the average number of employees of CPR for each year since 1960 (b) what was the average number of employees of CPR covered by collective agreements in each year since 1960?

5. (a) What were the average annual earnings of employees of CPR covered by collective agreements in each year since 1060 (b) what were the average annual earnings of employees of CPR not covered by collective agreements?

6. What were the actual amounts, included in direct payments to employees, for vacation pay, for general holidays, for sick leave and for personal leave and what proportion of total labour costs do these amounts represent?

7. What were the actual amounts paid by the Company each year since 1960 or since the inception of the Job Security Agreements into the Job Security Fund and what proportion did this amount represent of total labour costs?

8. What was the Company's contributions to benefit plans including pension plans, to health plans including provincial medicare plans, for each year since 1960, and what proportion do these amounts represent of total labour costs?

9. Assuming a definition of total labour costs to be all direct and indirect payments to employees including the Company's contributions to Workmen's Compensation, to Unemployment Insurance and to the Canada Pension Plan, what proportion of total costs were represented by labour costs for each year since 1960?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports: Information available in the Dominion Bureau of Statistics concerning the Canadian Pacific Railway Company is given below. However, the Dominion Bureau of Statistics does not collect sufficient data on this company to enable it to answer all parts of this question.

1. Total Wage [a]	Total [b]
	$
	1960—236,992,448
	1961—237,986,698
	1962—235,427,071
	1963—241,510,710
	1964—252,548,307
	1965—259,083,588
	1966—264,030,424
	1967—281,014,322
	1968—282,635,670
	1969—(not yet available)

[a] Excludes express, communications and highway transport (rail) operations. Amounts

charged to capital, stores, etc., are included along with amounts charged directly to operating expenses.

(b) Retroactive wage payments applicable to prior years are included in the year in which payment was actually made.

2. No data re unionized or non-unionized employees collected.

3. No data re unionized or non-unionized employees collected.

4. (a) Average number of railway employees: 1960, 54,307; 1961, 51,213; 1962, 50,123; 1963, 49,895; 1964, 50,272; 1965, 48,598; 1966, 46,797; 1967, 45,250; 1968, 41,499. (b) Not available.

5. (a) Not available; (b) Not available.

6. Details requested are not available. Following are percentages of hours paid for and not actually worked. 1960, not reported; 1961, not reported; 1962, not reported; 1963, not reported; 1964, 7.0; 1965, 7.7; 1966, 9.0; 1967, 9.5; 1968, 10.0.

7. Not available.

8. Contributions to pension plans include Canada and Quebec Pension Plans since 1966: 1960, 22,220,659; 1961, 22,914,841; 1962, 23,692,874; 1963, 24,491,961; 1964, 25,247,313; 1965, 26,144,153; 1966, 30,221,674; 1967, 31,073,513; 1968, 31,826,722.

Contributions to health and welfare plans are not available.

Total labour costs are not available, as not all indirect costs are reported to DBS.

9. Not available as indirect costs are not all available to DBS.

BEAUCE CONSTITUENCY—CONSTRUCTION OF POST OFFICE AT ST. BENJAMIN

Question No. 1,483—**Mr. Rodrigue:**

Is it the intention of the government to construct a post office at St-Benjamin in the constituency of Beauce during the fiscal year 1970-71 and, if so, (a) have tenders been called (b) when will work begin?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): No.

[*English*]

VESSEL "MT MATHA AMYTOS"

Question No. 1,486—**Mr. Dumont:**

1 Was the vessel *MT Matha Amytos* registered in Cyprus?

2. Did this vessel take on a cargo of naphtha at the Russian port of Tuarge and, if so, for which company was the cargo delivered at Quebec City?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. Information not available.

2. No.

CHARLOTTETOWN, P.E.I.—ALTERATIONS TO DOMINION BUILDING

Question No. 1,502—**Mr. McQuaid:**

1. Are changes now being made to the windows in the Dominion Building at Charlottetown and, if so (a) has a contract been let for these changes (b) who is the contractor (c) what is the contract price?

2. If a contract for the changes has not been awarded, who has been engaged to do the necessary work and what is the estimated cost?

Hon. Arthur Laing (Minister of Public Works): 1. (a) Yes; (b) Macotta of Canada Limited, Rexdale, Ontario; (c) $24,589.

2. Not applicable.

*P.E.I.—CONSTRUCTION OF HARBOUR FACILITIES

Question No. 1,518—**Mr. Macquarrie:**

1. What is the amount to be expended by the Department of Public Works in the maintenance and construction of harbour facilities in Prince Edward Island for the fiscal year ending March 31, 1971?

2. What is the location of the harbours and the anticipated amount to be expended at each?

Hon. Arthur Laing (Minister of Public Works): 1. $787,000 subject to the approval of parliament.

2. Alberton, Charlottetown, Graham's Pond, Miminegash, Naufrage, North Lake, Skinner's Pond, Souris, Summerside, Tignish, Wood Island.

It is not customary to reveal estimated costs before contracts are awarded.

QUESTIONS PASSED AS ORDERS FOR RETURNS

FEDERAL PUBLIC BUILDINGS EXPENDITURES

Question No. 316—**Mr. Dinsdale:**

1. What expenditures for federal public buildings will be made in the fiscal years 1968-69 and 1969-70 in (a) each province (b) each major city?

2. What expenditures in this area are contemplated for 1970-71?

Return tabled.

Orders for Returns

CANADA GRAINS COUNCIL

Question No. 827—**Mr. Burton:**

1. What are the names of the Chairman and members of the Canada Grains Council and on what date was each appointed and when does the appointment expire?

2. What committees and other subsidiary bodies have been appointed by the Canada Grains Council and what is the name and address of each member of such body?

3. What special studies have been undertaken by the Canada Grains Council and in each case, who is undertaking the study?

4. What matters have been referred to the Canada Grains Council and by whom was each such matter referred?

5. What is the source of financing for the Canada Grains Council and what amount has been received from each such source since its formation?

6. What are the terms of reference and authority for the Canada Grains Council?

7. What reports or studies have been completed by the Canada Grains Council since its formation and to whom was the report submitted?

8. How many meetings of the Canada Grains Council have been held since its formation and on what date was each such meeting held?

Return tabled.

CANADA GRAINS COUNCIL

Question No. 892—**Mr. Mazankowski:**

1. How many times, and in what locales, has the Canada Grains Council met to date?

2. What is the total cost of financing the operations of the Council from the date of its inception to December 31, 1969?

3. Are copies of the proceedings obtainable?

4. Does this Council submit an annual report to Parliament and, if so, when will the Council table its first report?

5. What concrete measures has the Council recommended and effected to deal with the problems as outlined in its terms of reference?

6. Who are the members of the Grains Council and what was paid to each member in salaries and/or per diem allowances and expenses to December 31, 1969?

Return tabled.

CANADIAN PROGRAM TIME, DECEMBER 1959, 1964 AND 1969

Question No. 1,006—**Mr. Orlikow:**

What is the difference in hours of program time of Canadian produced programs in any one week of prime time (between the hours of 7:00 p.m. and 11:00 p.m.) during the month of December in the years 1959, 1964 and 1969?

Return tabled.

[Mr. Dinsdale.]

FEDERAL GRANTS TO UNIVERSITY OF SHERBROOKE

Question No. 1,095—**Mr. Gervais:**

1. What amounts of money has the federal government paid directly or indirectly to the University of Sherbrooke, to date?

2. In particular, what sums have been paid directly or indirectly to the Faculty of Medicine, to date?

Return tabled.

NATIONAL CAPITAL COMMISSION—VALUE OF PROPERTIES IN QUEBEC AND ONTARIO

Question No. 1,096—**Mr. Isabelle:**

What is the value in dollars of the federal properties within (a) Ontario (b) Quebec, comprising the area described by the National Capital Commission Act?

Return tabled.

INFRACTIONS UNDER COMBINES INVESTIGATION ACT OR CRIMINAL CODE, SECTION 411 OR 412

Question No. 1,316—**Mr. Orlikow:**

Since January 1, 1939, have any persons or corporations been fined for infractions of the Combines Investigation Act or section 411 or 412 of the Criminal Code and, if so, (a) what are the names of the persons or corporations so fined (b) what was the amount of the fine in each case (c) when was the fine imposed (d) what infractions occasioned the fine?

Return tabled.

ORAL QUESTION PERIOD

AUDITOR GENERAL

CRITICISMS BY MINISTERS—REQUEST FOR EXPRESSION OF CONFIDENCE BY GOVERNMENT—SCOPE OF FUNCTIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Prime Minister whether, in light of criticisms of the Auditor General made outside the House by members of his government, he could indicate that his government has confidence in the Auditor General and, if his answer is yes, will he request the members of his government to stop expressing non-confidence in the Auditor General?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, the government has confidence in the Auditor General. Within his terms of reference he is a watchdog—

Mr. Diefenbaker: Who does the interpreting? The Prime Minister?

Mr. Trudeau: —over government spending. We find that this is a very important function, but of course when the Auditor General embarks upon the area of criticizing government policy we feel he is impinging on the rights and duties of the opposition, which perhaps they do not fulfil very well.

Some hon. Members: Oh, oh!

Mr. Stanfield: Mr. Speaker, knowing that the President of the Treasury Board was a deputy minister when a former Auditor General found some fault with some horses on the payroll I can understand the sensitivity about the matter, but I would like to ask the Prime Minister whether the view expressed by the President of the Treasury Board that it would be preferable to have another kind of person as Auditor General constitutes government policy?

Mr. Trudeau: No, Mr. Speaker. Assuming that that is a correct quotation, I cannot say that this is government policy. I would assume that if that was said it might be interpreted to mean we want another type of function fulfilled by the person who is fulfilling the job now, not some other person.

Mr. Stanfield: One final supplementary question, Mr. Speaker. I would like to ask the Prime Minister whether these statements by the President of the Treasury Board and the President of the Privy Council, and the refusal of the Treasury Board to grant the salary classifications requested by the Auditor General for members of his staff so that he can retain the kind of staff he feels he needs to satisfy his obligations to this House, all constitute deliberate harassment of the Auditor General with a view to provoking his resignation?

Mr. Trudeau: Well, Mr. Speaker, I am sure the Auditor General has a thick enough skin that he would not call this harassment.

Mr. David Lewis (York South): Mr. Speaker, I should like to ask the Prime Minister the following question: would he or any other member of his cabinet undertake to make a statement to the House indicating in what way and in what respect the Auditor General has gone beyond the authority given to him under the relevant statute? In view of the fact it is important that the Auditor General perform his duty without any cloud over the way in which he performs it, I therefore ask the Prime Minister whether he would have the courage and the courtesy to tell Parliament and the people of Canada in which respect the Auditor General has exceeded his jurisdiction?

Mr. Trudeau: As stated in those terms, Mr. Speaker, the answer is no.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. I should like to ask the Prime Minister if the government feels it should be the sole arbiter and interpreter of what are the functions and duties of the Auditor General, who is an officer of Parliament and not of the government?

Mr. Trudeau: Obviously not, Mr. Speaker. The Auditor General is responsible to Parliament and it will be for Parliament, in the way it desires, to judge his conduct. That will take place in due course. Government members are also Members of Parliament. The opinions as related to me which were expressed by the two ministers of the government had to do not with the function of the Auditor General in checking the accounting procedures of the government with a view to certifying whether or not they are honest and adequate and whether they are proceeded with with proper probity, but with that other function, that of criticizing policy, that of criticizing government decisions, which I think is not one for the Auditor General but for the opposition.

Mr. Baldwin: He has never criticized policy.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. As the Prime Minister has indicated that the Auditor General has criticized government policy and as the words used by the Auditor General which have been criticized by the President of the Treasury Board and by the government House Leader did not indicate any criticism of government policy, would the Prime Minister indicate what policy the Auditor General is accused of condemning?

Mr. Trudeau: When the report comes before the proper parliamentary place we will be delighted to answer that type of question.

Mr. Hees: He has not criticized any government policy. You just don't like your expenditures being criticized, that's all.

Mr. Speaker: Order, please. I believe the hon. member for York South was deprived of

his opportunity to ask a supplementary question.

Mr. Lewis: Mr. Speaker, the Prime Minister in answer to my earlier question about him or some other member of cabinet making a statement to the House regarding the way in which the Auditor General exceeded his jurisdiction have a negative answer. He said he would not do it. May I now ask the Prime Minister whether he would advise the President of the Treasury Board to appear before the Public Accounts Committee and give to that committee the basis on which he made his attack on the Auditor General?

Some hon. Members: Hear, hear!

Mr. Lewis: May I also ask the Prime Minister whether he would consider it right for the Auditor General to reply in kind, as in my opinion he has every right to do, to the President of the Treasury Board?

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, the hon. member has misinterpreted his own question. The question was whether I had the courage to do such a thing and my answer was that I did not answer this type of question.

Mr. Lewis: A further supplementary question, Mr. Speaker. May I ask the Prime Minister, without any such adjective—I am not interested in playing games with him—

Some hon. Members: Oh, oh!

Mr. Trudeau: You like to play them alone.

Mr. Lewis: I say, Mr. Speaker, that I am not interested in playing games with the Prime Minister. I ask the Prime Minister whether he or the President of the Treasury Board or any other member of cabinet will make a statement either before the House or before the Public Accounts Committee indicating the ways in which they accuse the Auditor General of having exceeded the jurisdiction given him by Parliament?

Mr. Trudeau: Mr. Speaker, I do not know the need for this. The report of the Auditor General has already been referred to a committee of Parliament and, of course, if the committee wants to hear the President of the Privy Council or the President of the Treasury Board they can ask them to testify on this and other matters.

Mr. Stanfield: A supplementary, Mr. Speaker. The Prime Minister and members of government are putting their own interpretation on the scope of the duties of the Auditor General. I should like to ask the Prime Minister whether it is not true that for some time the Auditor General has been pressing the government to introduce legislation to strengthen the office of the Auditor General and to define, presumably precisely, his duties? I should like to ask the Prime Minister why, instead of proceeding with this legislation, he and his ministers prefer to pick at the Auditor General and undermine his prestige and authority?

Mr. Trudeau: It is not a question of either/or, Mr. Speaker. We believe that we will be able to do both. We hope the legislation will be introduced before the end of this session.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask a supplementary question of the Minister of Justice. Has the Prime Minister or any other member of cabinet asked the Minister of Justice to have the legal officers check into the facts and law to see if the Auditor General has in fact and in law exceeded his jurisdiction as stated by the Prime Minister?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, that is a fairly difficult question for me to answer under the rules.

Mr. Hees: You mean the rule whereby the Prime Minister says "shut up".

Mr. Speaker: Order, please. May we have order, please.

Mr. Woolliams: Mr. Speaker, I should like to reshape the question. I am not asking a question of law, and I ask the Minister of Justice to reconsider the question. Has the Prime Minister or any other member of the government asked the Minister of Justice to ask his legal officers to determine under the statute whether the Auditor General has exceeded his legal authority in the statements he made?

Mr. Turner (Ottawa-Carleton): I would think, Mr. Speaker, that not only is the content of any advice of the law officers of the Crown given to the Prime Minister or any other minister of the Crown privileged, but perhaps it is also privileged as to whether that advice has been sought or given.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. I do not think I quite understood the full import of the latter portion of the state-

ment of the Minister of Justice. Is he saying that the opinions of law officers of the Crown are not available to the House of Commons? Only a few days ago did he not speak about a couple of bills before Parliament and say they had been declared to be within the power of Parliament?

Mr. Speaker: The hon. member for Annapolis—

Mr. Diefenbaker: Mr. Speaker, the answer is given by silence because it is a fact. Now I ask the Prime Minister, as he smiles and sneers at Parliament in a way that he has not exceeded at any time in the past, what was the purpose or reason for including the word "honest" in referring to the conduct of the Auditor General? Were his criticisms honest? Is an opportunity to be had in order to have the matter brought before the House of Commons? Is there any suggestion in the use of the word "honest" that the criticisms are only considered dishonest because this government does not like them?

Mr. Trudeau: Mr. Speaker, I am sure if the right hon. member will check *Hansard*, he will see that I referred the word "honesty" to the accounting procedures of the government. I said that was the function of the Auditor General. One of his functions was to check into the honesty of government accounting. As far as I know he has no reproach to make on that score.

Mr. Diefenbaker: Mr. Speaker, does the Prime Minister consider that an independent officer of the prestige and position of the Auditor General should never criticize the almighty goodness of this government?

Mr. Speaker: Order, please. The hon. member for Annapolis Valley has a supplementary question and then perhaps we can go on to another subject.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I should like to direct my question to the Minister without Portfolio in charge of Information Canada. In view of the remarks he made over the weekend in Toronto—

Mr. Speaker: Order, please. Is this a supplementary question?

Mr. Nowlan: Yes, Mr. Speaker, it is very much a supplementary question. In view of the remarks the minister made that Information Canada would open further the doors and windows of government, would the Minister without Portfolio check with the President of the Treasury Board and talk to his colleagues so that they do not close the door on the Auditor General?

Hon. Robert Stanbury (Minister without Portfolio): Glad to, Mr. Speaker.

BASIS OF GOVERNMENT CRITICISMS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister. Is the government's contention that the Auditor General has invaded the field of government policy based on the Auditor General's criticism of the government for paying out over $180 million to the automobile companies by Order in Council because these companies could not comply with motor vehicle tariff order No. 1965? Is this the basis of the government's criticism? Does the government consider this to be an invasion of government policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think that this is an area of government policy. It may be that government policy is not right or is not effective or appropriate, in which case we hope that we will be criticized roundly by the opposition. But it seems to me that this is an example where there is a criticism of policy and not of honesty or procedure.

Mr. Speaker: Order, please. I have some serious doubts whether we are not now entering the field of detailed debate on this important matter. I hope that hon. members will not suggest that we should, at this time during the question period, go into a detailed study of the Auditor General's report.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, it seems to me this is a very important point and the government ought to explain its position. I would ask the Prime Minister if I understood him correctly to suggest that the Auditor General is acting improperly in criticizing the government for spending money without any statutory authority by Parliament?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Does the Prime Minister not agree that the functions of the Auditor General are those set out

in the Financial Administration Act and not those given to him by the government?

Mr. Trudeau: Yes, Mr. Speaker.

Mr. Speaker: Order, please. Again I would suggest that we are embarking on the field of debate. I suggest that we recognize the hon. member for Hillsborough.

POST OFFICE

MONTREAL POSTAL DISPUTE—REQUEST FOR STATEMENT ON PRESENT POSITION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Prime Minister dealing with the Montreal postal dispute. Considering that the government's imposed deadline is almost upon us, can the Prime Minister advise whether there has been any recent change in the government's position? I ask this today particularly because of the widely disseminated weekend reports that two of his ministers had gone to Montreal to advise the CNTU to hang on.

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, there is no change in the government's policy. It is being explained to the members of the union as clearly as possible. We hope they will accept it. As to the latter canard, I have no knowledge of it. If any ministers were in Montreal, it certainly was not for that function.

CRIMINAL CODE

ABORTION—INQUIRY AS TO FURTHER AMENDMENT

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Justice. In view of the legislation just passed in the State of New York making abortion a private matter between the pregnant woman and her doctor, is the minister considering amendment of the Criminal Code to bring about a similar situation in Canada?

Hon. John N. Turner (Minister of Justice): Not imminently, Mr. Speaker, although we are reviewing the statistics pursuant to the recent amendments to the Criminal Code.

Mrs. MacInnis: A supplementary question, Mr. Speaker. Will the minister take an early opportunity to outline on motions the government's policy for removing the discrimination between Canadian women who can afford to go to New York for an abortion and those who cannot do so?

[Mr. Knowles (Winnipeg North Centre).]

EXTERNAL AFFAIRS

DEVELOPMENT OF ABM SYSTEM—SUPPORT FOR MORATORIUM REQUESTED BY U.S. SENATE

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the resolution passed last week by the United States Senate in which they asked the President of the United States to announce a moratorium on any further developments of the ABM system before the re-opening of the SALT talks in Vienna, would the minister state whether he has approached the U.S. government and backed up the resolution of the U.S. Senate on this matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it would not be appropriate for the Canadian government to support the actions of a legislative body in that way. I can assure the hon. member, however, that we have been working as effectively as we can to bring about the success of the SALT talks and, of course, on part of those talks depends the question of whether we can stop the proliferation of these massive weapons of destruction.

REGIONAL ECONOMIC EXPANSION

SPECIAL AREAS—SIGNING OF AGREEMENTS WITH PROVINCES

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. Is he in a position to tell the House when agreements will be signed with the provinces on the new special areas program announced in the House last month?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the answer last time was very, very soon; now it is very, very, very soon.

Some hon. Members: Oh, oh!

Mr. McGrath: A supplementary question, Mr. Speaker. The agreements were to have been signed by April 1. May I ask the minister—if he does not agree that this is a very serious matter, the provinces concerned do—if it is his intention to have these agreements signed before the estimates are reported back to the House so that the standing committee may have the opportunity to examine the agreements?

[*Translation*]

Mr. Marchand (Langelier): Yes, Mr. Speaker, I hope the agreement will be signed very soon. It is a mere formality as there is complete agreement between the parties.

[*English*]

EXTERNAL AFFAIRS

SPREAD OF WAR IN SOUTHEAST ASIA—RECONVENING OF CONFERENCE OF GENEVA ACCORD POWERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs regarding the suggestion by the government of France that the Geneva Accord powers might be reconvened in the hope that it might be possible to stop the spread of the war from Viet Nam into the neighbouring countries of Cambodia and Laos? Has the government of Canada made any representations to the joint chairmen of the Geneva Accord powers, Great Britain and the Soviet Union, with a view to using our influence to have that conference reconvened for the purpose the French government outlined?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. We have not taken action of that kind. When I was in France the Foreign Minister of that country brought to my attention the initiative being taken by France. Since that time we have had it under consideration to see whether it would be useful for us to support that initiative, but I do not think the multiplication of initiatives will achieve anything.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. As a member of the International Control Commission Canada has played a role in the situation in southeast Asia. Has the government considered favourably adding Canada's voice to those who are seeking to have the Geneva Accord powers reconvened?

[*Translation*]

CONSUMER AFFAIRS

PROPOSED CREDIT RESTRICTIONS—ACTION OF CERTAIN FURNITURE DEALERS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs.

Some time ago, the Minister of Finance announced in his budget speech that steps would be taken, probably during the present session, in view of restricting credit to consumers who make purchases on the instalment plan.

Could the minister tell us whether he is aware of the spectacular advertising now being presented by certain furniture firms, inviting their customers to anticipate the legislation, and could he make inquiries in order that consumers may be protected in this regard?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am aware of some such advertising in British Columbia; I am not aware of any such advertising in the province of Quebec. I would appreciate it, if the hon. member has copies of it, if he would send one to me.

INFORMATION CANADA

SELECTION OF CHAIRMAN OF COMMITTEE FROM AN OPPOSITION PARTY—INDEPENDENT REPORT TO COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Minister without Portfolio responsible to the House for Information Canada whether, when the appropriate committee of the House is established, he contemplates recommending or is prepared to recommend that the chairman of that committee be selected from one of the opposition parties?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, I do not think I have the right to make any such recommendation. I think the estimates of Information Canada have already been referred to a committee and the committee can call for the examination of those estimates at any time.

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the importance of Information Canada and the concern that many in the House and outside have about it, would the minister be prepared to recommend the establishment of an official corresponding to the Auditor General, an ombudsman, if one likes, along the lines recommended by the task force, with particular reference being given to his making an annual independent report to the committee on the work of Information Canada?

Mr. Stanbury: Mr. Speaker, that in particular, was not recommended by the task force, but I would be glad to have any sugges-

tions from the Leader of the Opposition or other members as to how this review might take place. I am not sure that an information ombudsman would be more effective in the ongoing criticism of information services than would be the work of the media or the opposition. I would certainly be willing to consider any suggestions the Leader of the Opposition might have in this regard.

Mr. Stanfield: A supplementary question, Mr. Speaker. I have made a suggestion. Will the minister accept it?

Mr. Stanbury: Mr. Speaker, if I understood the suggestion and exactly what it meant, I certainly would consider it.

Some hon. Members: Oh, oh!

Mr. Stanbury: But I should like to know more about how this person might be appointed and what his function might be before I would want to give any answer.

Some hon. Members: Hear, hear!

REQUEST FOR APPEARANCE OF DIRECTOR BEFORE COMMITTEE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the Minister without Portfolio could not understand what the Leader of the Opposition said.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: That is no tribute to his understanding.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I want to ask a very simple question and I hope he will understand the significance of it and give an answer. In view of the widespread allegations and the criticisms being made of Mr. Gagnon—

An hon. Member: By the Tories.

Mr. Diefenbaker: —would the minister have him come before the committee and place before that committee a biographical sketch of himself?

Hon. Robert Stanbury (Minister without Portfolio): It is surely up to any parliamentary committee to summon the witnesses it would like to hear and question them as it felt appropriate.

An hon. Member: Don't be so innocent.

[Mr. Stanbury.]

IMPLEMENTING OF THIRD RECOMMENDATION OF TASK FORCE

Mr. J. P. Nowlan (Annapolis Valley): Is it the intention of the government to implement the third recommendation of the task force on government information that the information policy suggested by that task force be referred to a committee of Parliament—not merely the estimate in this regard which will come before parliament on May 18?

Hon. Robert Stanbury (Minister without Portfolio): I do not think the hon. member has quoted correctly from the report. The third recommendation has been accepted in principle by the government, as was stated by the Prime Minister some weeks ago. The way in which it might be implemented has yet to be worked out. I would appreciate suggestions from hon. members as to how this might be done. I believe the committee should consider the whole question of government information services and how they might be made more effective.

THE CANADIAN ECONOMY

INFLATION—ROLLING BACK OF TINPLATE PRICE INCREASES

Mr. Max Saltsman (Waterloo): My question is directed to the Minister of Consumer and Corporate Affairs. It is based on the report that price increases affecting tinplate will lead to an increase in the price of containers which will, in turn, raise prices to consumers purchasing food and beverages packaged in those containers. This situation is foreseen by the Prices and Incomes Commission, and I should like to ask the minister whether he intends to approach the steel companies and ask them to roll back the price of tinplate?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): For the time being the contents of the report are being considered by several departments. They will study it before anything is done.

Mr. Saltsman: Can the minister tell us when this examination will be concluded and when he is likely to be in a position to report to the House as to the action he intends to take?

Mr. Basford: Within a day or so, Mr. Speaker.

GOVERNMENT ORGANIZATION

REQUEST FOR STATEMENT ON INTEGRATION OF DEPARTMENTS OF EXTERNAL AFFAIRS AND INDUSTRY, TRADE AND COMMERCE

Hon. George Hees (Prince Edward-Hastings): I have a question for the Secretary of State for External Affairs. Would he take the first opportunity on motions to outline to the House what he had in mind when he said in the course of a CTV interview last night that he endorsed the integration of the operations of his department with those of the Department of Industry, Trade and Commerce?

Mr. Speaker: Order, please. The hon. member knows that the regular way to inquire about statements made outside the House is to ask the leader of the government whether those alleged statements represent government policy. Perhaps the question might be phrased in those terms.

Mr. Hees: Very well, Mr. Speaker, I shall bow to your ruling and ask the Prime Minister—after his rapid consultation with the minister concerned—whether his colleague was voicing government policy when he made the statement to which I have referred?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, an attempt is being made by the government through its officials to study this matter and come to grips with the question whether or not it would be useful to integrate government personnel working abroad. We have no set position on it yet. The Secretary of State for External Affairs was posing the question and indicating one of his views as to the way in which it might be answered, but there is no firm government policy on this yet.

BROADCASTING

EFFECT OF CANADIAN RADIO-TELEVISION COMMISSION REGULATIONS ON FREE PUBLICITY FOR CHARITABLE ORGANIZATIONS

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State, Mr. Speaker. Will the Secretary of State investigate complaints sent to members of this House by the Canadian Red Cross, the United Appeal Association and other charitable organizations with respect to regulations by the CRTC which will allegedly come into effect tomorrow and, if he thinks it advisable, will he take appropriate action? It is complained that these regulations would almost completely eliminate the free publicity at present being given by radio stations to these voluntary public service organizations which are so essential to the health and welfare of Canadians.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): In the opinion of the CRTC, Mr. Speaker, the probable result of these new regulations will certainly not be as described by the hon. member. If he wants to know the reasons for these proposals, the document in which they have been explained by the CRTC has been made public and he can obtain a copy anytime he wants.

I should like to add only that when the CRTC announces certain proposed regulations, that is the same thing for the Commission as a white paper for the government. This is why such an announcement is inevitably followed by hearings open to anyone wishing to voice objections against proposed regulations.

[*English*]

Mr. Nesbitt: In view of that reply, perhaps the minister could tell us why the Red Cross and the United Appeal Association of Canada take a view of the regulations different from that taken by the government.

Mr. Speaker: Order, please.

STATUS OF CANADIAN RADIO-TELEVISION COMMISSION PRONOUNCEMENTS

Mr. J. P. Nowlan (Annapolis Valley): Did I understand from the minister's answer that the pronouncements of the CRTC are to be considered as a white paper on broadcasting policy by the government?

Hon. Gérard Pelletier (Secretary of State): Not the pronouncements nor the decisions. I think the hon. member did not hear me well. Guidelines on programming have now been published by the CRTC and arrangements have been made for a hearing on the 16th. Obviously, since there is to be this hearing, we are not dealing with provisions which have been permanently adopted by the CRTC but with the general direction of their thinking on the basis of the studies they have been conducting. The commission has indicated that anybody in the country, particularly, of course those who are directly interested who wish to do so, can have a full day in court to tell the CRTC that it is not going in the right direction. I should not like to leave the House with the impression that when a document of that nature goes out from the CRTC, that is

the end of it. Exactly the opposite is the case. Opinions can be heard with regard to the projected guidelines which are proposed by the CRTC.

Mr. Nowlan: In view of the far-reaching implications of some of the pronouncements and proposals of the CRTC concerning Canadian content, which will be the subject of the hearing that starts tomorrow, would the minister use his good offices to have the CRTC attend before the Committee on Broadcasting after these hearings have been completed in order to explain these proposals before any final decision is made?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I can say the CRTC does not need any encouragement from me in that regard. Indeed, representatives of the CRTC promptly accepted any invitation of the Parliamentary Committee on Broadcasting, Films and Assistance to the Arts to appear before it. Furthermore, they have always been happy to do so.

[*English*]

REGIONAL DEVELOPMENT INCENTIVES ACT

INQUIRY AS TO INCLUSION OF TOURISM

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Regional Economic Expansion. Is the government considering the introduction of amending legislation this session so as to include tourism under the Regional Development Incentives Act?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

REGIONAL ECONOMIC EXPANSION

CORNWALL—CONSIDERATION OF INCLUSION IN SPECIAL AREAS

Right Hon. J. G. Diefenbaker (Prince Albert): I have a question, Mr. Speaker, arising out of a question asked a moment ago. Two or three weeks ago I raised a question concerning Cornwall. Cornwall has now been described as "Canada's worst job-depressed city" and it is stated that in the tri-county area of Stormont, Dundas and Glengarry the picture is no brighter, with 13.7 per cent of a labour force of 30,000 currently out of work. In these circumstances has the minister or the government given further consideration to the inclusion of Cornwall under the provisions of the recently announced plan?

[Mr. Pelletier.]

Hon. Jean Marchand (Minister of Regional Economic Expansion): I know that my deputy minister visited Cornwall a few weeks ago and that this is a situation which we are following very seriously.

Mr. Stanfield: A sort of vice-regal visit.

Mr. Marchand (Langelier): If the right hon. gentleman is speaking about unemployment figures, I can produce many other cities in Canada where unemployment is more serious than that.

Some hon. Members: Oh, oh!

An hon. Member: We know that.

Mr. Diefenbaker: Mr. Speaker, that was the greatest admission that we have had from the government, that unemployment in Cornwall has soared to 20 per cent. There are a lot of other cities that are worse, replies the Minister. We thank him for that revelation.

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

Mr. Speaker: Order. The hon. member for Oshawa-Whitby.

PUBLIC SERVICE

TORONTO—LAY-OFF OF PUBLIC WORKS EMPLOYEES

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Public Works. Is the minister aware that the Toronto district of his department is currently laying off some 19 people with seniority ranging from 5 to 10 years? If the minister is not aware of this, would he investigate the situation and report back to the House in the near future?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, there were some projected lay-offs of employees in all departments of government; I think my total was 37. If the hon. member now tells me that there are 18 or 19 employees being laid off, they are probably included in the 37. We have told these people that they will have priority for returning to the department when we require them.

POLLUTION

WATER—ADMINISTRATION OF CONTROL

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Prime

Minister. In view of the provisions of Bill C-204, which was given first reading on Friday and which effectively passes control over water pollution to the Department of Fisheries and Forestry, has a policy decision been made that administration of water pollution control in Canada should be given to the Minister of Fisheries and Forestry?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. Control is divided between the Minister of Energy, Mines and Resources, who is responsible for the application of the provisions of the water act, and the Minister of Fisheries and Forestry.

Mr. Aiken: A supplementary question. Might I ask the Prime Minister which of these ministers is responsible in the case of a conflict between inspectors under the two acts?

Mr. Trudeau: Mr. Speaker, if the hon. member will give me an example of a conflict I will answer his question.

BUSINESS OF THE HOUSE

TIME OF SECOND READING OF BILL AMENDING FISHERIES ACT—PROPOSED ITEMS TO END OF APRIL

Mr. Frank Howard (Skeena): Mr. Speaker, I have a question for the House Leader with respect to Bill C-204 amending the Fisheries Act. In view of the importance of this measure, could the minister predict when the bill might be considered for second reading?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, this is among other bills which are awaiting second reading stage and to which we should like to give priority as soon as possible. We very much hope that the debate on the amendments to the Criminal Code can be finished this afternoon and that the Canada Grains Act can be moved ahead, along with the National Farm Products Marketing Council legislation and the two bills dealing with sovereignty over adjacent seas. In other words, we hope that by the end of April all of these bills will have completed second reading. With any luck at all, and with the best of co-operation, perhaps we could call Bill C-204 for consideration next week and have it forwarded to committee at that time.

Inquiries of the Ministry

GRAIN

SUGGESTED PAYMENT TO ALL WESTERN GROWERS INSTEAD OF SUMMER-FALLOWING

Mr. George Muir (Lisgar): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the fact that western farmers had indicated before the government's wheat acreage reduction program was announced that they intended to reduce wheat acreage to 18.5 million acres and are showing a reluctance to reduce acreage further by the doubtful farm practice of once again summerfallowing, as advised by the government would the minister consider an alternative method of assisting the farmers to reduce wheat acreage, such as making a payment available to all western grain growers?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the program that we have announced is in fact available to all western grain growers. It must be borne in mind that the statistics that were published by the Dominion Bureau of Statistics, I think on March 18, were based on replies that they received from individual farmers prior to the date on which operation LIFT was announced. We are assuming, and I think quite properly so, that there will be a profound change in the intentions of farmers as a result of their consideration of LIFT.

Mr. Muir (Lisgar): A supplementary question, Mr. Speaker. Would the minister advise the House how a farmer who had no wheat last year can expect any money from operation LIFT?

WHEAT—ACREAGE REDUCTION PROGRAM—POSITION OF CANADIAN FEDERATION OF AGRICULTURE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, in view of the fact that the Canadian Federation of Agriculture was supposed to meet with the government today, may I ask the Minister of Agriculture whether the federation presented its misgivings about the acreage reduction program and also indicated there is an acute shortage of cash in western Canada? How does the government propose to look at those two problems?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we had a very useful meeting with the Canadian Federation of Agriculture this morning. I am sure that the hon. member

either has or will have before long a copy of the submission. He can, of course, interpret it as well as I.

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

Mr. Speaker: Order. The House has just about run out of time for the question period, but the Chair would like to recognize the hon. member for Saskatoon-Biggar for one supplementary on this point, and then call on the hon. member for Halifax-East Hants. The hon. member for Saskatoon-Biggar.

WHEAT—REQUEST BY CANADIAN FEDERATION OF AGRICULTURE FOR FLOOR PRICE OF $1.95½ PER BUSHEL

Mr. A. P. Gleave (Saskatoon-Biggar): Thank you, Mr. Speaker. Might I ask the Minister of Agriculture whether he can assure the House that the government will give serious consideration to the request of the Canadian Federation of Agriculture for a floor price of $1.95½ per bushel, basis Thunder Bay, for all wheat moving into international trade, in other words, into export markets?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the government has given serious consideration to this and, as the hon. member knows, has gone a long way in guaranteeing the floor price for all wheat, going into domestic human consumption.

FEED GRAIN—REQUESTED INCREASE IN FREIGHT RATE ASSISTANCE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is also for the Minister of Agriculture and arises out of the requests made by the Canadian Federation of Agriculture this morning. Will the assistance made available under the feed grain freight assistance act be increased instead of decreased?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we had a useful discussion about that particular matter this morning. There were two or three aspects of the whole matter to which the federation agreed with us further consideration should be given, including whether or not the policy should be based on the total amount of money or on rates in view of the fact that volume changes from year to year, depending on a number of circumstances. But I can advise the hon. member that we had a very useful discussion about that question this morning.

[Mr. Olson.]

• (3:10 p.m.)

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT RESPECTING HATE PROPAGANDA

The House resumed from Thursday, April 9, consideration of the motion of Mr. Turner (Ottawa-Carleton) for the third reading of Bill C-3, to amend the Criminal Code.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the hon. member for Annapolis Valley (Mr. Nowlan) aroused my curiosity when he took part in the debate on Thursday evening and pointed out some of the great figures of the past who would have suffered had this particular measure been in effect in their country. I gave this some considerable thought while looking at my own modest library over the week end, and I came to the conclusion that a lot of us are going to be in a great deal of trouble, in view of the types of books we have been purchasing, if this measure is put into operation.

For example, I think that no home should harbour such an insidious document as the Bible, either the Old Testament or the New Testament, because there are clearly chapters in both the Old Testament and the New Testament that would incite hatred against an identifiable group in a manner that is likely to lead to a breach of the peace.

I quarrelled with the hon. member for Annapolis Valley in my mind at the thought that Jesus would or could be a victim of this particular bill, and I thought of His sermon on the mount "Blessed be the meek". But when one thinks of the disorder that arose as a result of His peaceful teachings, one can only conclude that anything that contained His teachings would have to go. As a result, the Bible would be a sadly emasculated document if it were to survive as a book that could be freely sold and read in our times and contain no passages that would offend the particular measure with which we are dealing.

Then, when story time for the children came around, I picked up a book about Robin Hood. In the edition that I have Robin Hood has some pretty harsh language to use against the Normans who a few years before good old Robin got into action had carried out the Norman conquest. The Normans, I would suggest, were a clearly identifiable group because of race or ethnic origin, and so it almost becomes a criminal offence to have Robin Hood in the House.

Examples from Shakespeare are well known. The period during which he wrote these words was the period of the development of English Nationhood, so that is the sort of thing which is likely to lead to at least contempt or ridicule of a minority, if not actual hatred. Even the dictionary would not be free from condemnation under this bill, at least certainly not Dr. Samuel Johnson's dictionary because he defines oats as something eaten by English horses and Scottish people. If that does not hold out to ridicule an identifiable group distinguished by race or by ethnic origin, I do not know what would. Dickens' Oliver Twist is an obvious example and even the famous six books in the Barset series, by the gentle Anthony Trollope, perhaps the most enjoyable single group of books I have in my library dealing with a life that was somewhat leisurely paced in Victorian England, come under the gun as a result of his reference to certain money lenders.

Mr. MacLean: Would the hon. member permit a question? Is he aware that England is world famous for its horses and Scotland for its people?

Mr. McCleave: Yes, I would say England was well known for its horses, just as a former deputy minister was famous for his horses on the payroll.

An hon. Member: The hon. member is just feeling his oats.

Mr. McCleave: Someone else prompted this remark but it is too good to allow to go unrecorded, in case it was missed by *Hansard.* The hon. member for Malpeque (Mr. MacLean) is feeling his oats. To top it off, my forebears escaped from Scotland at one time and that is why I am in Canada.

Rudyard Kipling took on large masses of people in some of his works during what one would call, the golden age of British imperialism. I hope I am not held up as an example of one breaking the provisions of this bill because I seem to be getting after the British. I was afraid, after my experience with Robin Hood, to pick up other books of fairy tales or Mother Goose stories because heaven only knows what sort of incitement to hatred I would find in them. Seriously, at the time these creations came forth they were written in such a way as to escape trial and attack for some of the feelings they expressed. None the less, they were there for a purpose in their time, and that was to strike out at certain people or certain groups. I suppose when this bill passes any martial song that makes up part of our singing traditions will have to disappear. I do not know what would have happened to all the Lutheran polemics that sprang up in the years immediately following the first steps taken by Martin Luther. I think they all would have been outlawed, or at least subject to seizure and the authors subject to court action. We would have had no reformation and no counter-reformation if this particular bill had been in existence at that time.

A question has been asked in respect of Adolph Hitler's *Mein Kampf.* I would think this particular work could have been dealt with under clause 1 of the bill. I have no particular quarrel with that because that is the direct advocacy or promotion of genocide. If the provisions of the bill were separated, I could quite easily vote for clause 1. It is the other two offences created by the bill which bother me enormously.

A few days ago when I took part in the debate I mentioned some of the soul searching going on in my own particular area with regard to the problems of certain of its residents. I neglected to mention one outstanding incident, namely the visit to Halifax of Sol Alinsky, who is perhaps the chief apostle of social activism we see operating out in the open on the North American continent. This visit gave citizens with grievances a great opportunity to present their views at a very well attended public meeting.

One of the people who expressed his views was a young black gentleman who felt that any attempts at reform that had been made within the Halifax area were not satisfactory. His cure was to pick up a gun and kill all the whites. His answer was just as simple as that, though I have expressed his viewpoint in reasonably modest language whereas he used some obscenities when he expressed it. Be that as it may, it was a cry from the heart of a person who felt very frustrated and ill used, and had all sorts of problems which came to the fore at this Alinsky meeting. In effect this meant, what is the use? Nothing can ever be done, so let us shoot the whites. I suppose he would be guilty under clauses 2 and 3. It seems to me his remarks could be taken as inciting hatred against an identifiable group in a manner likely to lead to a breach of the peace, so it would seem to me, at least on the surface, he would come within the four corners of that particular paragraph.

Yet, I think the most undesirable thing in the world would be to take action under the

Criminal Code against that person for what he said, or against anybody else who made similar extravagant statements. If we took action, I think we would turn these people into martyrs. They would feel this was just another attempt to muzzle their expression of thought. The problems about which he tried to speak in his frustration would remain unsolved. The consciences of a few who think that one cannot go around in public using indecent language and making statements of that sort might be relieved by the laying of a charge.

To me, it would be much better to have such a person making complaints on behalf of those who have grievances about houses, about jobs and about opportunities, rather than putting him away. This point of view makes sense, because we all know how intolerant Russia was under the Czars. It is still intolerant but I use that as a specific example of how the terrorist philosophy of Necheyev written on little bits and pieces of paper scraped from here and there, led to the philosophy adopted by Lenin, the philosophy of kill anybody who stands in the way. This philosophy found favour with certain middle class people who did carry it into effect and who did substitute Bolshevik terrorism for the other form which existed before, Czarist terrorism. We know what practical effect that had. That was the result of the imprisonment of people like Necheyev for long periods of time. This illustrates the dilemma you get yourself into if you try to deal with different philosophies by simply saying that those who express them are unworthy to be at large in society.

• (3:20 p.m.)

Even if those people, the Necheyevists and the Leninists, were the ones who philosophically backed the policies which brought about the revolution, or even if they took an active part in it, the fact is their actions prove that even the most well-meaning oppressions of thought simply will not work in society. So, as I say, sir, I hope the dialogue in Halifax continues until those grievances are overcome. The mood now seems right for it. I know there are many people who have held discussions as a result of the meetings I described earlier and as a result of the Alinsky encounter. I know they will not be satisfied so long as their consciences are in that state. I think they would take an entirely different attitude if there were not the right of free expression to get issues before the public.

[Mr. McCleave.]

That one instance alone is the reason I would vote and intend to vote against the bill. I do not think it will help the black minority in Nova Scotia to have this bill in force in Canada. I think these provisions could so easily be turned against them if there were anyone cruel enough or with a sharp sense of injustice who would use them. The provincial attorneys general across Canada are all fine, decent men and I suppose no one would quarrel with any decisions they would make under this bill. But that will not always be the situation. We could have attorneys general who would use measures that go against a particular religious sect. We know this has happened in Canada. There have been instances in the past, which I shall not relate, in which there have been repressive measures directed at certain groups within society and the sores from those are still visible. So, as I say, in my opinion this bill would not protect a minority group.

I regret I must disagree with my hon. friend from Hamilton West, who certainly delivered the most eloquent speech I heard in this debate. It came from his heart, from his soul and from his mind. It was a total expression of what the man believes. It was well delivered. He and I share the same objectives. Let there be no doubt about that. We want to see the problems of the black, Indian, Métis or any other disadvantaged people in Canada overcome. Yet, thankfully, in this place we have the right to disagree concerning the best method to bring this about. My friend says this can be done by passing the hate bill and I say the hate bill worries me very much. I say it would prevent the people from expressing themselves about their problems and would not give them a chance to reach out and touch the consciences of other people. Therefore, I say this is a bad measure.

In concluding, the example I gave earlier in respect of the Sermon on the Mount comes to mind. In that example, a man went about teaching that the meek were blessed because they would inherit the earth. One would have thought that message would have touched the consciences of all within the range of that voice, but it really did not. It touched the consciences of some and their numbers have multiplied so that today, most of us in this country are His followers, but not all. Be that as it may, the majority of the people in His own time heard these very mild words and one would not think that would have excited extraordinary passions in the breasts of the people. Yet, had this bill been in effect at the

time, He clearly would have come under the section about inciting hatred against any identifiable group likely to lead to a breach of the peace. I give that example as proof that changing circumstances and times can bring about very drastic changes in the attitude one has toward legislation. I should like to think we would make a decision that would stand as a landmark for a long time and which would emphasize the right of a person, as a free citizen, to have his say.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I do not intend to prolong the debate, nor in the strict sense of the word do I intend even to debate. The debate has been exhaustive and I think largely honest. I have followed it closely because I needed guidance in determining what I should do. I am not myself aware of having been a member of an identifiable group subjected to the despicable activities which this bill is intended to proscribe and punish. Perhaps if I were, my attitude would be different and my decision easier. That is the reason I have needed the guidance. The fact that two members of this House who are members of such identifiable groups have stood in their places during the debate and have expressed opposite conclusions concerning the bill's wisdom and efficacy, conclusions which coincidentally have been opposite to the views taken by the majorities of their respective parties, will I think make very understandable the difficulty which I, and I am sure other hon. members, are experiencing.

As I said I do not intend to debate; but I do feel it is my duty to tell my colleagues and my constituents why I will vote against this bill on third reading. I did not vote against the amendments put forth last Thursday because they would not cure the provision which compels me to vote against the entire bill. I decided that if the bill were to pass at all, it might as well pass unamended in so far as the amendments put on Thursday are concerned. I must vote against the bill because of the rejection of the amendment to clause 267A proposed by the hon. member for New Westminster (Mr. Hogarth). Whatever doubts I have about the other clauses are not to me conclusive, nor would a recitation of those doubts add to the body of human knowledge. I do feel, however, as repulsive, obscene and offensive as the concept of genocide is and as repulsive, obscene and offensive as any person is who would advocate or promote that concept, that person ought not to be deemed a criminal unless that advocacy or promotion has some public aspect, however slight.

Just a few days ago we were made aware of an instance here in Ottawa when an RCMP officer obtained entry to a private home when no adults were present and questioned a 13-year-old child. This child, in the absence of its parents, was questioned about things that had been done and said in that home. I can conceive of only one greater internal threat to freedom in a country like Canada, which already enjoys freedom, than a police force imbued with missionary zeal. That greater danger is a Parliament which demonstrates a like missionary zeal to proscribe and punish an evil, whatever the means.

• (3:30 p.m.)

Certainly, it would be difficult to conceive an end more appalling than genocide. It would be difficult to devise an objective more worthy of obliteration. One might be tempted to agree that any means is justified. I cannot accept that. I still hold the conviction that an idea advocated or promoted in the home, regardless of how totally evil it may be, however revolting must be the person who would entertain much less advocate or promote it, no criminal investigation, no criminal prosecution and no criminal conviction should follow where no public consequence has followed.

There are those who say that the concept of genocide is so repugnant that its promotion or advocacy, even in the most complete privacy, must be a crime. It is a tempting proposition but one that I cannot buy. Surely in Canada if we are not to impair freedom of thought there must be some place where every idea, however obscene, however repugnant to universally held standards, can be advocated and promoted. If that place is not in the privacy of one's home, where is it? This bill does not preserve it.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I had the opportunity of participating in this debate on second reading and since then I have had the opportunity of doing some soul searching and some research, particularly over the weekend. Certainly, I make no apologies for rising to participate at this time on third reading because I am deeply concerned about the subject and I think it is fair to say that many other Canadians are deeply concerned as well.

I am opposed to this piece of legislation because I believe it is an invasion of the right

of freedom of speech. I believe that this legislation is totally unnecessary and it is not in keeping with the Canadian parliamentary, constitutional and political traditions. I further submit that if this bill becomes law, it will work to the disadvantage of those minorities which it has presumably set out to protect. I can only conclude that there is more to this bill than immediately meets the eye.

One wonders just what this government intends to accomplish by making such a law. One also wonders what they wished to achieve by imposing rule 75C, or the official languages act. We wonder what motivation lies behind this carefully laid plan. I have recently wondered about the broad sweeping powers that have been granted to the CRTC, the subject of considerable debate and controversy which is taking place right here in Ottawa at this time. We wonder, as do many Canadians, about the eventual effects of Information Canada upon the daily lives of Canadians. We are also increasingly concerned about the recent attempts to muzzle the effectiveness of the Auditor General by decreasing his staff, while in fact it should be increased, and by subjecting him to a great deal of criticism inside and outside the House. His effectiveness as the watchdog of government spending has been lessened and he has been subjected lately to the threat of being removed from his office.

We wonder just what is behind proposals such as the one with which we are dealing now. I have said that this law, so far as I am concerned, is unnecessary, given the Canadian Bill of Rights and the libel laws in the Criminal Code. When you take those laws into consideration, I say that this bill is redundant. The Canadian Bill of Rights was passed by Parliament and sponsored by that great Canadian and great humanitarian, the right hon. member for Prince Albert (Mr. Diefenbaker). The Bill of Rights assures the rights and freedom of all Canadians when it recognizes and declares "the right of the individual to life, liberty, security of the person and enjoyment of property". I submit, furthermore, that every Canadian is further protected by the laws of libel and slander as already expressed in sections 246 to 251 of the Criminal Code.

The other day the hon. member for York South (Mr. Lewis) asserted as recorded at page 5693 of *Hansard*, that this bill,

—is nothing more than a projection of the libel laws from libel against an individual to libel against an identifiable group.

[Mr. Mazankowski.]

After having done some research on this aspect I humbly submit that this is not so and, furthermore, that this is a phony analogy. I support my argument with the words of a much greater authority on the law than myself, namely, the late Justice Ivan Rand of the Supreme Court of Canada in his 1957 ruling against the notorious padlock law of the province of Quebec which sought to repress the propagation of communism. The following is a quotation of a statement made by Mr. Justice Rand from the book entitled "Leading Constitutional Decisions" by Peter H. Russell:

Mr. Tremblay in a lucid argument treated such a limitation of free discussion and the spread of ideas generally as in the same category as the ordinary civil restrictions of libel and slander. These obviously affect the matter and scope of discussion to the extent that it trenches upon the rights of individuals to reputation and standing in the community; and the line at which the restraint is drawn is that at which public concern for the discharge of legal or moral duties and government through rational persuasion, and that for private security, are found to be in rough balance.

But the analogy is not a true one. The ban is directed against the freedom or civil liberty of the actor; no civil right of anyone is affected nor is any civil remedy created. The aim of the statute is, by means of penalties, to prevent what is considered a poisoning of men's minds, to shield the individual from exposure to dangerous ideas, to protect him, in short, from his own thinking propensities. There is nothing of civil rights in this; it is to curtail or proscribe those freedoms which the majority so far consider to be the condition of social cohesion and its ultimate stabilizing force.

So that at best the aim of Bill C-3 could be to prevent what is considered a poisoning of men's minds, or to protect the individual from exposure to the most scurrilous and vicious of men's thinking. We have heard before, and I said in my first speech, that we cannot legislate against the emotions of hatred or prejudice. Therefore, it is better that it be in the open where we can keep an eye on it, as the hon. member for Halifax-East Hants (Mr. McCleave) just pointed out. Personally, I would rather have my enemy attack me in the open where I can see him than underground or behind my back.

This leads me into my second point, that I do not believe this bill will in fact protect those minorities, which it allegedly sets out to do, from the injustices which may affect those people. It is more likely to constrict and condemn their leaders. I am sure many of you have heard of Mr. Harold Cardinal. I do not know how many of you have heard him deliver a speech or have read his book "The Unjust Society". But I believe it is fair to

conclude that in his book, and in many of his speeches to which I have had the opportunity of listening, he does incite an element of hatred. Could he not incite his enemies to a breach of the peace? What about Martin Luther King, Abraham Lincoln or Joseph Howe? Should these men have gone to prison for incitement likely to lead to a breach of the peace?

• (3:40 p.m.)

Men like Harold Cardinal are angry men. They feel an injustice. They feel that their people have been deprived of the riches that many of our other Canadians enjoy. They feel that they are being disadvantaged, and they feel a sense of frustration and injustice. I ask you, Mr. Speaker is it right that we should take away their right to articulate their views simply because they are angry, simply because they may appear to be somewhat militant, simply because they feel the lethargy of our society forces them to be militant in their modes of expression?

I wonder what Bill C-3 proposes for dealing with the 97 per cent drop-out rate of Indians from school, or what in fact it would propose to do about providing the equal opportunity that is necessary to enable these people to participate in the full riches of Canadian life. I wonder what this bill proposes to do about supplying them with an adequate water supply, or adequate housing, or about providing them with adequate jobs. And I wonder what it could do to remove the frustration that presently exists among the Indian population in Alberta with respect to medical treatment.

The Minister of National Health and Welfare (Mr. Munro) visited my constituency some two weeks ago just to talk about medicare. The members of the Indian community there are very frustrated, and are apprehensive about the matter of medical care. The minister blames the situation on the provinces, but well before medicare came along they had full medical coverage and there were no problems. These are the types of situations that promote an element of hatred.

I am not an advocate of violence, Mr. Speaker, and I recognize that indifference and lethargy sometimes lead to violent words and violent action. Last week in this debate a number of speakers referred to the Ontario Human Rights Code. It certainly is an admirable document, but here again we have to consider its constitutional validity. As far as I can see, it is a declaration of good intentions, and I would be one of the first to sign my name to such a declaration should it come before the House. But the Ontario Human Rights Code states that its aim is "to create a climate of understanding and mutual respect among our people." No act of this or any other Parliament can create a climate of understanding. No law can impose that feeling of mutual respect because, as I said before, mutual respect comes from mutual consideration and understanding, and that only comes through education and the free expression of opinion.

I wonder how much discrimination we do have in this country, and will Bill C-3 help us to find it out? Quite frankly, Mr. Speaker, I do not see how it can. As a Member of Parliament from an area containing several identifiable minority groups I want to know what kind of propaganda is being spread about them, or is being spread around. I say that if you force such propaganda underground it is liable to spread like an evil and uncontrollable plague, similar to the situation we have with respect to the control of drugs. Certainly our present laws are not going to remove the drug problem. We have all heard the slogan, "Cancer can be beaten." But it can only be beaten if we have a thorough and understanding knowledge of it. I say let us keep the lamented few in the open, where we can see them. Let us not take their advice. Let us not take the advice of those who advocate repression.

This leads me to my third and final point. I believe this bill represents an invasion of our sacred right to freedom of speech. In fact, I suspect this bill is unconstitutional and will be so declared the first time it is tested in the courts. I base this view not only on the Canadian Bill of Rights but also on our whole constitutional and political tradition.

On August 4, 1960, as I said before, this House passed the Canadian Bill of Rights. The Bill is unequivocal in its declaration and recognition of the existence in this country of the right to freedom of speech, and moreover there are no conditions or limitations attached. Perhaps it might be well for hon. members to take note of the second section of the Bill of Rights which states the supremacy of the Bill of Rights over all other Canadian laws:

> Every law of Canada shall, unless it is expressly declared by an Act of the Parliament of Canada that it shall operate notwithstanding the Canadian Bill of Rights, be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgement or infringement of any of the rights or freedoms herein recognized—

From that section only, I assume that Bill C-3 must conform to the Bill of Rights if it is to be upheld in the courts. I think, as the right hon. member for Prince Albert (Mr. Diefenbaker) pointed out, the validity of this point was clearly established by the Supreme Court of Canada last fall in the Drybones case.

Even without the Bill of Rights there is some question whether this bill could stand up before the courts. Parliamentary democracy has always been predicated upon complete and unreserved freedom of speech. As pointed out by the hon. member for Edmonton East (Mr. Skoreyko), during the 1930's the government in my province of Alberta tried to limit freedom of speech through a series of acts one of which, the Accurate Views and Information Act, tried to control the press. In ruling the act unconstitutional in 1938 the then Chief Justice of the Supreme Court of Canada, Sir Lyman Duff, stated:

> There can be no controversy that such (i.e. Parliamentary) institutions derive their efficacy from the free public discussions of affairs, from criticisms and answer and counter-criticism, from attack upon policy and administration and defence and counter-attack; from the freest and fullest analysis and examination from every point of view of political proposals.

He went on to say:

> —it is axiomatic that the practice of this right of free public discussion of public affairs, notwithstanding its incidental mischiefs, is the breath of life for parliamentary institutions.

I referred earlier to the padlock case and the judgment of Mr. Justice Ivan Rand. I would like to quote just one more excerpt from it, and again I am reading from "Leading Constitutional Decisions" by Peter H. Russell:

> —That the scene of study, discussion or dissemination of views or opinions on any matter has ever been brought under legal sanction in terms of nuisance is not suggested. For the past century and a half in both the United Kingdom and Canada, there has been a steady removal of restraints on this freedom, stopping only at perimeters where the foundation of the freedom itself is threatened. Apart from sedition, obscene writings and criminal libels, the public leaves the literary, discursive and polemic use of language, in the broadest sense, free.

• (3:50 p.m.)

Any nation, Mr. Speaker, knowing that its own society is based on certain values, beliefs and philosophies should, I believe, always listen to the voices of dissent and reform. They may be the first voices of the future. No matter how repugnant the message of dissent may be to a particular generation, that lonely voice could well become the voice of the future. Any nation that stifles dissent or criticism can only experience a past and a present, it has no future.

Sir Winston Churchill said much the same thing in different words, and I quote:

> Criticism may not be agreeable, but it is necessary.
>
> It fulfils the same function as pain in the human body: it calls attention to an unhealthy state of things.

I submit that we should not stifle freedom of speech in the name of freedom. I know what it is to suffer certain abuse, a form of discrimination. Certainly, with a name like Mazankowski, I know what it is to be teased and to be called names. But discrimination is no basis upon which to stifle freedom of speech. Quite frankly, as far as I am concerned, discrimination and ethnic or racial hatred are not nearly as bad today as they were 20 or 30 years ago. I believe one of the main reasons for this is the fact that we have had freedom of speech. There has been an equalization of opportunity through education, integration and intermingling. If those who are discriminated against had not had the opportunity of expressing themselves vocally or in print, we would never have moved to the point where we are today.

A considerable amount of emotion has been injected into this debate, Mr. Speaker. The hon. member for York West (Mr. Givens) was very emotional the other day when he delivered his speech, as was the hon. member for York South. I believe that emotion only deviates from the principle of looking at this bill very objectively with a cool, sober and open mind. It is with these words, Mr. Speaker, that I would ask hon. members to search their souls in order that we may vote in the interest of preserving the tradition of our democracy and our basic civil liberties.

Mr. Stan Schumacher (Palliser): Mr. Speaker, it is certainly not with any sense of pleasure that I rise today to participate in this debate on the motion for third reading of Bill C-3. It is not that the debate has been bitter or rancorous, because I believe that its standard has been high.

However, it appears to me that many members have not taken the opportunity afforded by this debate to state their own views and those of their constituents. I can appreciate their difficulty. The proponents of this piece of mischievous legislation are relying on man's natural good intentions to carry it through. At least one hon. member spent a

great deal of his time pointing out flaws and weaknesses of the bill and then concluded that, in spite of all this, he was compelled to support the bill to demonstrate his concern for minorities.

I would suggest, Mr. Speaker, that while that argument is attractive, probably because all of us are members of some sort of minority group or other, it does nothing to advance the cause of minorities in this country. To my mind, that argument is a classic example of fuzzy-minded, small "l" liberal, bleeding heart, do-gooder thinking. This is the type of thinking that has, in my opinion, resulted in the very policies which have produced today's permissive society that appears to be getting ready for an authoritarian takeover.

I understand the views of those who have suffered as a result of prejudicial talk and statements designed to bring a certain group into contempt. The right hon. member for Prince Albert (Mr. Diefenbaker) made reference to certain actions taken in this country during the second world war. When that war broke out I was six years old. My family lived in a small community and we were the only family with a distinctively German name. Unlike other members of this House I was not taught, nor did I believe, that the second world war was imperialistic or otherwise bad.

While I was too young to understand the reasons that lay behind that outbreak of hostilities, I did believe then and believe now it was necessary in all the circumstances that prevailed. However, irrespective of my beliefs at the time I was still subject to ridicule and abuse as a result of my name. So, I believe I have some understanding of the objects of this bill. Notwithstanding its objects, Mr. Speaker, I can only describe this as a bad bill. While the basic argument used to advance it is the one I have already referred to, I am not prepared to impute the same lofty, if misguided, motives to the Prime Minister (Mr. Trudeau) who must take the ultimate responsibility for it being before us today.

In my view this bill is just one of several devices being used by the Prime Minister to bring the people of this country to heel. What other reason is there for it? We all know the apparent reason for the bill arose out of a vile and filthy outbreak of antisemitism in the city of Toronto six or seven years ago. But, Mr. Speaker, this isolated outbreak has receded into insignificance and is virtually nonexistent today. In other words, there is no clear and present danger in the country to justify this legislation. If there is, where is the evidence? Does the government have evidence that it has not laid before this House? Does the government have some evidence that disaster is about to befall some racial or religious group in Canada? If the government has such evidence it should have been presented to this House and to the country, Mr. Speaker. If there is a real and present danger to a particular group of people in this country we have a right to know all of the facts so that we can deal with them now.

I suggest, Mr. Speaker, that there is not, in fact, a real and present danger to any individual or group in this country because of racial or religious or ethnic affiliation or origin. I will grant that there is a danger to not only some Canadians but to all Canadians. That danger stems from the group across the floor of this House wielding the power of an absolute majority. I suggest that the present government, unable to find answers to real problems, is erecting safeguards against imagined and improbable events of the future. I urge the government to deal with present problems first, and leave imaginary problems for the future, preferably the distant future.

The present government is saying to the Canadian people that they cannot be trusted to develop and mature within the framework of the society that they have preserved and nurtured over the past century. This is an arrogant and authoritarian attitude. The present government did not invent or devise our present form of parliamentary government. The present government does not have a mandate to invent or devise a new form of government and impose it on the people. They have a mandate to preserve the form of government that was handed to them by the people in a free vote. We are considering Bill C-3, Mr. Speaker, because the present government is determined to control and regulate the quantity and quality of dissent in this country. There can be no other reason for such a measure. The present government has demonstrated over and over again that if the people of this country do not like the quality of government they are getting, they will just have to learn to like it.

• (4:00 p.m.)

I would venture to say that every ethnic group in the country has been and is represented in the House, and that has been the case throughout most of the years this Parliament has existed. I do not need Bill C-3 to protect me from any member of this House,

Mr. Speaker; I do not need Bill C-3 to protect me from anyone in my constituency or to protect any of them from me. Apparently, though, the government does not share my views in that area. Apparently, there is a real and present need on the part of the government to secure protection for itself from something or someone. It has been my experience that the government is very much in favour of dissent. The Prime Minister has taken pains to tell us that he is not in favour of controlling or regulating the freedom of the hippies and kooks in their efforts to do their thing. No, the Prime Minister is in favour of dissent, as long as it is not directed at his government.

Could it be, Mr. Speaker, that the Prime Minister feels there is a real and present threat to the government; that his government might be rendered extinct by genocide? If that is the case, I urge the government to let us have the facts, to let us deal with them. I would not want this government to be rendered extinct in such a manner. I want them to stay around so that Canadian voters can render them extinct two years from now. I want them to stay around so that the Canadian voters can vent their anger and frustration on this ineffective and inhumane power group. It is time, Mr. Speaker, for the present government to stop worrying about being rendered extinct through genocide and start legislating for the benefit of the Canadian people. Bill C-3 legislates against the Canadian people and presupposes that the government is responding to pressures from groups rather than from the majority of the country's citizens.

It has been pointed out by other speakers that this government has taken onto itself the enormous task of eliminating hate and distrust from our society without taking the people into its confidence and without asking the people to help. This is not the government's problem alone. It is a problem that involves and concerns the people at large and it will not serve any good purpose if we sweep the problem under the rug by passing Bill C-3. In an area of human activity and human emotion where understanding and education are called for we have, instead, an arbitrary measure designed to stifle the very thing we are pledged to defend, the right of dissent.

I urge the government, Mr. Speaker, to get out among the people and see what they are really like. The Canadian people are not bent on self-destruction. The Canadian people are not looking for ways and means of destroying their neighbours because they might be of a different race, religion or ethnic group. The Canadian people want to build, to create, and to better themselves and their society. I say to this government, stop being so concerned with yourselves and start showing some concern for the Canadian people. I say to this government, stop showing contempt for the minds and motives of the Canadian people and start exercising the responsibilities, as well as the powers, that those people have entrusted to you.

There is one scant consolation to be found in this type of legislation, Mr. Speaker. The present government, by betraying the trust granted to it by the Canadian people, is building the platform for the opposition party in the next general election. The present government fails to take into account that, whatever damage they might do over the remaining years before the next election, the Canadian people will have one thing left: the right to a free vote two years from now.

This legislation may be classified in either of two ways. Some people say, "Don't be too strong in your opposition to it, because it really does not mean anything. It really never will be used; it is just window dressing, a sop to certain pressure groups who feel that it is necessary, and therefore it is all right to let it go through." Mr. Speaker, I did not come here to discuss or vote on window dressing. That is not the function of the House of Commons of Canada. If the bill means something, then someone will be charged under this bill and will be given a forum in which to spread his filth more widely in our society. We do not need that, so I cannot see how anybody can support this legislation on any grounds. I certainly intend to vote against it and I hope that the House of Commons will say that this legislation ought not to be passed.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on this very important subject these will be my only utterances, for which all may be thankful. It has been, sir, a most interesting debate, stimulating and wide ranging. Perhaps it has been such a good debate because there has been so much soul searching. I have noted, in my brief experience here, that quite often the finest debates in the House take place on matters upon which there is no question of party rigidity as to the point of view being expounded. I believe, perhaps, that we have too much partyism in our deliberations. I say this as a great believer in the party system, because I believe, as Lord

Bryce has stated, that no democracy can function without parties and that parties are older than democracy and essential to it. But there are many matters such as this upon which, I submit, it would be difficult for one to derive a party position.

This issue is not only one of conscience it is, in many important respects, a question of philosophy. Perhaps at times it comes close almost to a theological point of view that hon. members must debate. I think that we do not in this House add lustre to the institution of Parliament or its reputation when we take a party line on every item that comes before us. As one philosopher once said, if there is any large group of people all thinking the same thing, you can be sure that in that large group of people there is more than one who is not thinking at all.

There was obviously much uncertainty in the minds of hon. members. This was clear from the debate, and I envy those who can be so sure of the rightness of their stand or the precision of their voting pattern. I am not in that position. I think I have never been all that sure as to which is the better course of action. I can only, sir, after a long process of reading, study and introspection, come to some point of view, choose my course and vote in the way which I think will contribute to the betterment of our society rather than the reverse. In other words, my resolution does not come with any startling clarity from an ideological point of view, but rather from a process of weighing advantages and disadvantages.

I suppose, in a sense, I have been comparing some aspects of the measure which appeal to me, against some which I find repugnant. I am not ashamed of that, because I regard as one of the great pronouncements on the political process this famous statement Burke made:

> All government—indeed every human benefit and enjoyment, every virtue and every prudent act—is founded on compromise and barter.

That was said in days, some generations ago, before the word "compromise" had become downgraded in meaning.

• (4:10 p.m.)

Many people are deeply concerned, and there has been much careful study of the bill by the hon. member for Calgary North (Mr. Woolliams), whose brilliant legal mind and careful research has done much to bring about a greater understanding of the measure and, indeed, a greater knowledge of its various aspects. There are of course, disconcerting features in the bill. It is filled with aspects which cause concern to thoughtful people. These have been detailed vigorously and brilliantly by many men in this House learned in the law and in parliamentary procedure. Of all the things about it, what distresses me most is the matter referred to by the hon. member for Annapolis Valley (Mr. Nowlan) the other day in connection with section 267(c). I find this totally repugnant and though I cannot forecast what other people may do, I hope that somehow this particular feature can be cast into the limbo to which it belongs.

There have been interesting evocations of history in the course of this debate. One or two members said the bill would have caught Christ. Others said it would not be strong enough to catch Hitler. So there is a wide difference of interpretation here in the House, even before the legislation gets to the courts. I do not know whether it was hatred of Christ or the love of Christ which brought him to his destiny but I am sure there have been times in the 2,000 years since when Christian communities in various parts of the world might have found themselves aided rather than harassed by a measure of this kind. The bill makes it hard, often, to distinguish things, because it is not, in my opinion, a well-written bill, but, surely, we must all distinguish between dissent and the wilful promotion of hatred against an identifiable group. There is an immense difference here. We can go back through history for fascinating examples, but even if this bill is bad it is not likely to cause our governors—and I use the word in its broad sense to mean those who are governing us—to take leave of their senses. Surely, a measure of common sense will survive the passage of this bill; a society without some measure of this quality would not be able to survive in any case.

Another objection stems from the fear in some minds that an orator who stirs a multitude to riot would find this legislation aimed at him while, presumably, the rioters would go free. However, it seems to me that the state is not bereft of power and authority to deal with those who destroy life and property. Nor can we postulate that the passage of this measure would inhibit the state if it came to dealing with riotous and destructive behaviour; it could deal with such offences just as it does, now.

No one has a monopoly of concern for free speech and civil liberties. We all care. But we

know that even the greatest of our freedoms are not really absolute. Free speech is not an absolute; it has to be curtailed. Freedom of religion is not an absolute; there are many activities which religious groups seek to carry out and which the state forbids. Freedom of assembly is not untramelled. Just try holding a mass meeting in the centre of some square in any large city during the day and see how you get along. In establishing norms of behaviour for society and in passing laws, we have to make judgments concerning the relationship between individual rights and the common good. As a Jeffersonian liberal, my tendency is always to give first place to the former, to the rights of the individual, but sometimes we have to surrender a measure of individual rights for the good of the generality of society. This is what civilized community living is about. I believe that in the long run the right to promote and incite hatred is not one which can be regarded as among our inalienable rights. We cannot, of course, by legislation remove hatred from the hearts of men, or successfully implant love therein. But we can say, I believe, with some hope of success, that hatred shall not be activated against other sectors of society in the manner in which this bill, albeit inadequate, seeks to describe.

There are signs enough that there still are great dangers from the dissemination in Canada of hatred directed toward identifiable groups. We are not immune from activist prejudice. Far from it, alas. It cannot be argued that because certain long depressed groups are now taking the place in society which they have always deserved means there is no danger of grave problems arising here. It is the sad history of race and group prejudice that the backlash is often most vicious when long ascendant groups feel themselves threatened by a recently emancipated group.

While I am concerned about certain of these provisions, I feel that in addition to understanding and studying the laws they pass, legislators should also consider the spirit of those laws. The philosopher Montesquieu dealt with this question a long time ago in memorable words which are still of value to people today. We must note the relationship between mores and the law, and, indeed, between morals and the law. So, I look not only at the contents of this bill but also at its intent. Having done so, I am prepared to support the bill—not that it is a perfect one, far from it, but, rather, because we are an imperfect society. While I am always an optimist and always a progressivist, I do not believe in the perfectability of human nature. Not in my time nor in the time of anyone here will we reach a situation wherein kings will be philosophers and parliamentarians, saints.

Though we would long to live in a society where hatred did not exist and in which there would be no need to restrain the outpouring of hatred, we do not, alas, live in such a society. This being the case, I do not believe we are proposing a backward step—indeed, I hope it is a helpful step—to declare that the espousal of group-directed hatred is an evil thing which our society thus formally, and in this manner, should and must condemn.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I did say when I was speaking on the report stage, that I did not intend to take part in the debate on third reading. I shall try to preserve the spirit of that promise to the House, but certain things have been said in this debate which I feel it is my responsibility to answer. Since I believe the interpretation placed on some of the things I said has been misleading, I trust hon. members will bear with me for a few minutes.

Today, I wish to discuss five aspects of this subject. I want to consider the many references made to minorities, and in doing so I intend to mention the work of the committee. I wish to talk about the constitutional aspect of the bill—I think this legislation is unconstitutional and should be included among the subjects considered by the Supreme Court of Canada for decision in this connection. I wish to deal, in particular, with a point which I made during my first speech in reference to this measure, and repeated subsequently. I wish to discuss the contention that a defence available under one section does not exist under another. I am referring to that clause that gives the right to somebody to take out a simple affidavit on reasonable belief and seize literature. Then, you have to come in and defend yourself. That sounds something like the Spanish inquisition.

• (4:20 p.m.)

My first point is this. We have heard a lot about minorities. Canada, if it means anything, means that it consists of groups of minorities of various nationalities and various religions and environments who came here to have freedom. I am not a parliamentarian, or a lawyer for that matter, who believes that we could in these instances, using the words of the hon. member for Palliser (Mr. Schumacher), implement and legislate division.

I said in my speech that if this bill does anything, to the best of my legal understanding and I believe to the best of the legal understanding of the best constitutional lawyers—I do not include myself in this category but I have discussed it with them—the bill will likely work, as I will point out, against minorities in Canada.

Just on that point, surely if we are to build a nation and a just society, the great thing that Canada is 100 years after confederation, we must forget whether we are Polish, or German, or Scottish, or English, or Irish—

Mr. Turner (Ottawa-Carleton): Or Welsh.

Mr. Woolliams: Yes, or Welsh—or whether our religion is Jewish, Anglican, Roman Catholic, Presbyterian, Methodist, Hindu or any of the others, and simply be people who work together, who understand the cultural environment that we have here, and build a nation as Canadians.

I am tired of hearing about people who cry and wring their hands about minorities. I realize there has been abuse in the past, particularly in the case of certain names. Here, I mention the hon. member for Vegreville (Mr. Mazankowski). He is a good friend of mine, and I refer to his name, Mazankowski, only in the metaphorical sense because I know I am not allowed to refer to him in the House by his name. He said that people had referred to his name.

I have also experienced that sort of abuse in this environment. I come from British stock, three generations Canadian. The first thing my grandfather and father saw when they arrived in the city of Saskatoon (1903)—and I use this as an analogy only—was a notice that said: "No Englishmen need apply". I do not know whether it was because they were so urbanized that they could not ruralize, though I think that was my grandfather's and my father's problem; they could never get into the rural atmosphere.

My father wanted to escape the pavement, but when he got into the rural atmosphere he did not know whether to plant posts or plant potatoes when using a post auger. These people were not wanted because they were no use to the development of Canada in the materialistic approach used in the pioneering days, and as a result you saw these signs saying that no Englishmen need apply. I suppose that disturbed him. When I was sent to a rural school dressed in brown velvet with shining buttons, these ruralites really took me on, and I do not blame them. It did me no harm. As Shakespeare said, "Sweet are the uses of adversity which, ugly and venomous like a toad, wears yet a precious jewel in his head". Only in adversity do we build character, so let us not get all drippy over the subject of minorities because we have all suffered together in building a great nation—Canada. Bringing the culture of all of us together with understanding and education is the only way, to my mind, that we will continue to build a great nation. We should not legislate division.

With that introduction I should now like to refer to one of the problems in the debate at this stage of third reading. I am one of those who, when the rule changes went through the House of Commons, questioned two particular rule changes. I used all the ability at my command, both in my party and in the House of Commons, to stop them. Firstly, I still maintain that the power of this institution lies in the power it held over the purse strings. When the government took the power over the purse strings away from this House and assigned it to a committee, we lost power.

Secondly, I do not say that every bill should be studied in the committee of the whole clause by clause, but our system of studying bills has been completely reformed. I think most people here—and I am getting a little unkind in this regard—are followers, not leaders. Some people are so frightened of the medium of communication that if they read a bad editorial they run and hide. If somebody says that Parliament must be reformed, they say: "That is what you have to do because votes cannot be won." We must lead. When we cease to lead, the medium of communication has to step in and lead for us. Because this bill goes to the very root of human and civil rights of Canadians, it should have come before the House of Commons and been studied clause by clause.

What is the weakness of the committee system? We have a fairly good legal affairs committee, though I will have something to say about how unprejudiced and prejudiced it was at certain times. The number of Conservatives who attended the committee was limited, as was the number of Liberals, New Democrats and Creditistes. Perhaps there was only one Creditiste on the committee, and he would have to go back to his caucus and, with all his wisdom, tell them what was in the bill. Most members of parties attached to the House of Commons are so busy that you would be lucky to have an important piece of legislation like this discussed at one or even

half a caucus meeting. So, we are into this debate today, and I say with the greatest respect—and this may be why the interest is waning—that our knowledge of it is not as good as it might have been. We should have studied this bill clause by clause. I would have liked to have seen what would have happened when the House, in committee of the whole, reached section 267C, the provision about seizing documents. There would have been a filibuster and we would have killed it.

I say that this particular section is unconstitutional. If we want to streamline our committee system, that is fine. Hitler streamlined things, and so did Mussolini. I know the minister does not like this, and the people who want rule changes shake their heads. But I would remind the minister, through you, Mr. Speaker, that I have the right to say what I have said, and I will continue to say it.

Mr. Turner (Ottawa-Carleton): Would the hon. member permit a question. No one is disputing his right to say anything in this House, but would it not have been open to any member, in accordance with the new rules, to submit an amendment at the report stage 24 hours before debate began and without any limitation whatever?

Mr. Woolliams: The minister is talking about the report stage. I wrote the minister a letter and he was very courteous and replied. I said that I hoped the bill would not come before the House until we got the reports of the committee. The minister did carry out his word. I got the reports of the committee, but where was I when the reports came out? The House had adjourned for the Easter recess and the bill was called the first day we all returned. I had these reports airmailed to me special delivery during the Easter recess, and no other member had time to study them. We had to draw up our amendments—(and I am sorry the minister had to raise this point)—based on the old bill because the new bill as amended by the committee, was not printed. In fact, the right hon. member for Prince Albert (Mr. Diefenbaker) had to call me to ask where he could get a copy, and asked why it was so secret.

The minister says: "Why doesn't somebody in your party stand up and complain?" Well, I am complaining. If this is the kind of committee work and consideration we are going to give this bill, then our general knowledge will be limited. With the greatest respect to the minister, we should have had the opportunity to deal with this measure clause by clause, with every member as well informed as the committee members. This is not an easy piece of legislation. Therefore, I say at the outset that the standing committee is unable to function well.

[Mr. Woolliams.]

• (4:30 p.m.)

Let us take another look at committees. We have some free minds in our committees. I am always impressed by the hon. member for New Westminster (Mr. Hogarth). On the other hand, there are other members, some members of this party and some members of other parties, who sort of line up along political lines. Every committee is controlled by the government and most committees have government chairmen. If I were writing the Cohen report I would not be like the hon. member for Windsor-Walkerville (Mr. MacGuigan), because he not only wrote the report that recommended the legislation but he sat on the committee which decided whether it was good or bad legislation that should or should not come before this House.

The Lord Chief Justice of Great Britain said that justice must not only be done, it must be seen to be done. I do not know whether it is my training in the law that makes me unfit to appreciate these parliamentary niceties, but if I walked into a court of law which resembled this committee I would take a chance on my bar association and challenge that judge such as this member as being prejudice. I would succeed. I am just pointing this out to those who talk about fair committees and how they work. I am not impressed with this committee system and I never will be impressed with it.

I do not suggest every bill should be studied in committee of the whole, but certain bills that change fundamental rights should be studied in this House clause by clause so every Member of Parliament knows what is in it and has a capability of voting. We are now considering a bill in respect of which there is division in the House. People will vote according to their conscience, but they can only come to a conclusion according to their conscience when they have knowledge.

The hon. member for Hamilton West (Mr. Alexander) was a very active member of our committee. He took his position on the hate bill according to his conscience, as a result of his knowledge. I know he admires my position and I admire his, but that is a different situation. There are people, and make no mistake about it, who do not know what is in the bill or what it says. The minister knows that.

There are members who are listening to me now in this House who know nothing of the contents of this bill. There is where I find fault with the new committee system.

Let me now come to the second point I want to make with reference to the constitutionality of the bill itself. Before I do that there is perhaps another point I should make. I want to go along with what the minister is recorded as having said at page 5552 of *Hansard* for Monday, April 6. He said:

> It purports, on the face of it, to eliminate a few lines of the bill. But what it does is truncate and absolutely vitiate the bill, and if adopted by the House would kill the bill. I do not think we can prevaricate about that. That is exactly what it will do.

He was referring to the purpose of the amendment. In that regard the minister and I are on fair, square and just grounds. He is correct.

I want to refer specifically to one member but I cannot refer to how all members voted individually. In any event, anybody on the government side who voted against the amendment and then spoke from the other side of his mouth against the bill cannot really justify his position. He has either done so from a lack of knowledge of the bill because of the trouble I mentioned earlier of not being a member of the committee, or perhaps because he has some problems at home in his constituency. I leave that for his judgment, not mine.

Let us get down to the constitutionality of the bill. I say at the outset with the greatest of respect, and I should like to have more time to discuss this, I believe this bill is unconstitutional. It is unconstitutional because it goes to the very roots of our freedoms. What are some of our freedoms? I think they have to be repeated, just briefly.

Let me refer to the Supreme Court of Canada decision in the famous Alberta statute case when the late Mr. Aberhart, the former premier of Alberta, was introducing censorship of the press. This was not Information Canada, it was censorship. He wanted the newspapers to write what he wanted to read, not what they were writing. At that time they were drawing some pretty horrible cartoons of that particular individual. He was inciting the people against the depression, against unemployment and against economics. Mr. Aberhart would never have survived under the hate literature bill, not if any attorney general was doing his job. Anyhow, he brought in censorship of the press.

What the Supreme Court of Canada said in that case, and I have not time to go into it in detail, was very simple. The judges of the Supreme Court, as I understand them, said that they looked at the preamble of the BNA act and came to the conclusion that there were certain inalienable rights there for the protection of individuals. They said that the British had developed these over a thousand years because the customs of the Anglo-Saxons became crystallized into traditions; the traditions in turn became crystallized into common law, and the common law was interpreted by the courts. This was the basis of the common law in our written statutes, and all of it protected the rights of the individual. They made reference to the Magna Carta, and various other acts. As I understand it this was supported by Professor Tarnopolsky. So, the Supreme Court of Canada came to the conclusion that the preamble of the BNA act had built more than just a little house.

The Supreme Court judges said that all the rights our forefathers fought for, died for and worked for, were protected, and included in the BNA act. They suggested in that famous case, which was the start of the constitutional interpretation, that these rights were in the BNA act and if any act infringed upon them then such act, whether it was passed by this place or a legislature, would be ultra vires. There was a reference to the right of the individual to life. That has reference to genocide and although I suggested taking that part out of the bill, I can see some weaknesses in the Code. I have never been impressed with the idea that we need any part of this bill. We have these rights of liberty and security of person and of property.

A boy or girl who sets out for school from his father and mother's home and gets to school safe and sound does not do so because of the Prime Minister here or the premier of his province. The accomplishment is based on the fundamental rule of law which is based on the common law I discussed. These inalienable rights are spelled out in the unwritten portion of our constitution and in the British North America Act. We have now set up a very fine committee to study the constitution.

When the Supreme Court of Canada decided that first case in reference to the Aberhart law it said, as the right hon. gentleman from Prince Albert (Mr. Diefenbaker) later stated in the Bill of Rights, that there was inherent the right to life, the right to individual equality, freedom of religion and freedom of speech. How can you have freedom of speech

without freedom of thought and freedom of communication? I will have something to say about that. The Supreme Court also said there was the right of freedom of the press.

So, the first decision that came from the Supreme Court of Canada found that the BNA act was not a dry old document, but included all the inalienable rights I have talked about which are found now in the Bill of Rights and are now part of the statutes of Canada by interpretation. I will have something to say about the Drybones case in a few minutes because it shows the development in chronological order of our freedoms and the fact that the constitution is subject to the Bill of Rights. These freedoms are written into our statutes.

Let me make the point now with emphasis that I am convinced in my own mind, if we have the kind of judges we believe we have on the judiciary in Canada with imagination and creative ability, this monstrous legal document will be declared to be ultra vires and thrown out of our society. I repeat, it will do nothing for minorities. There will be nothing in it for minorities on the basis of religion, race, colour, creed, individual or group. It does not even mention class, as I said earlier. I say it is unconstitutional in view of the Provisions of the BNA act, and the Bill of Rights.

I say this is the point to which we should direct our attention when voting. Before I go on to discuss the question of law, let me suggest to the minister that he should take this out of our hands right now. He should not again make the mistake he made in proclaiming the breathalyzer law. He should request the Supreme Court of Canada to determine whether the opposition in this regard is right or wrong. I am getting tired of these ministers who stand in their places and say they have talked to the legal officers and know what the certain law is.

• (4:40 p.m.)

In the Lake Louise case the law officers were wrong: They were wrong then and they have been often wrong throughout the legal development in this country. As the right hon. gentleman from Prince Albert said, the very men who were drafting the Bill of Rights, according to instructions, argued against the Bill of Rights in the Supreme Court of Canada. Well, lawyers are lawyers and law is not an exact science. I am making this point: take this legal monstrosity and find out whether it is constitutional. However,

but do not stand up please and tell me that it is constitutional because you have spoken to somebody.

We found out how good the legal officers were today when we wanted to ascertain whether or not the Auditor General had exceeded his jurisdiction. The minister said it was a bad question. He meant to say it was an embarrassing question when the Prime Minister (Mr. Trudeau) acts frivolously as he does. The minister is never frivolous; he accepts his job with responsibility. Naturally, I put him on the spot. I wanted to find out what he meant when he said it was illegal. So, naturally when the minister tells me this bill will be constitutional—and I can guess that argument—I say let us get on with it. I say this bill is unconstitutional because of the Bill of Rights. What did the Supreme Court of Canada say about the Bill of Rights? As a lawyer I was always bothered when the Bill of Rights was before the House. I could see how it would affect legislation already enacted by Parliament. What concerned me was the effect it would have in respect of legislation not yet passed. That is where I had a legal hangup in respect to the Bill of Rights.

I spoke to various people about the Bill of Rights. The Supreme Court of Canada went a long way. The Chief Justice, who has now retired, has answered my problem. What a great Chief Justice he was! He is now retired and therefore I may speak of him. When I was a very young man I appeared before him and was as nervous as a church mouse. I did not need a better counsel because he assisted me when I was weak in argument. He was understanding. Here is a former Chief Justice of Canada who, in respect of the Drybones case, actually disagreed with his brother judges in his Court. When he stepped down he said that now the majority of the court of Canada has found it is the Bill of Rights which determines whether this legal monstrosity is constitutional or not. The Chief Justice said to the other courts that they now have to carry out the rules as set out in the Drybones case. I spoke to one judge, in Calgary whom the right hon. member for Prince Albert (Mr. Diefenbaker) appointed. He just laughed me out of the office before the Supreme Court of Canada decision on the application of the Bill of Rights.

The highest court in the land now has told the district courts, the trial courts and the courts of appeal they are bound by the Bill of Rights. That is really what the Drybones case is about. I repeat, what a great name for it

when one considers the name of the fellow and the fact that he was charged with being drunk; his bones must have been pretty dry! This is what the court said. It was held by Ritchie, Fauteux, Martland, Judson, Spence and Hall that there was no dispute about the facts. They went on to say:

—the words of sec. 2 of the Canadian Bill of Rights afforded the clearest indication that they were intended to mean—

what they did mean. Judges would never accept that they meant what they said. They did not have the imagination or the creative capacity of the Supreme Court of Canada in respect of the Aberhart case, as I call it, to apply the preamble of the BNA Act to all the rights we inherited from the mother country when Canada became a country. These people had imagination and creatibility. Thank God we have men of knowledge and their creativeness.

I do not get tied up emotionally on this at all. I get tied up legally. The Supreme Court of Canada has made the law clear. In my opinion, in view of the decision on the Bill of Rights, this legal monstrosity would be declared to be a lot of nonsense, and unconstitutional. I listened with great interest to my friend from Hillsborough who paid me a great compliment. He is an historian and a man of great knowledge. Maybe I see it too clearly; perhaps I am too close to the forest to see the trees. This is what the majority of the Supreme Court of Canada held in the Drybones Case."

—if a law of Canada could not be "sensibly construed and applied" so that it did not abrogate, abridge or infringe one of the rights and freedoms recognized and declared by the Bill, then such law was inoperative unless it was expressly declared by an Act of the parliament of Canada that it should operate notwithstanding the Canadian Bill of Rights.

Now, what is the duty of the Minister of Juntice (Mr. Turner)? Well, I appeared before a judge for whom I have a good deal of respect, Mr. Justice Riley of Calgary. He is a liberal with a small "l". He was a Liberal who was a Liberal. I do not mean the new brand of liberalism. He believes the Bill of Rights, must be applied. What is the duty of the minister if this bill is passed? This is found at page 110 of Tarnopolsky's "The Canadian Bill of Rights". If the minister finds that this bill is contrary to the Bill of Rights, then he must get these officers of the Crown who are opposed to the Bill of Rights to prepare a certificate saying that the hate bill is contrary to the Bill of Rights. That is his function. Let us read what is said here:

Another criticism arose over a private member's amendment to the old Fisheries Act. This amendment purported to re-enact the old Act, and then it included a clause at the end to the effect that the Act should be brought into conformity with the Bill of Rights. The Minister of Justice was charged with failing in his duty as he had not certified or reported that the Bill was consistent or inconsistent with the Bill of Rights. He replied that he had discussed the proposed amendment with the Speaker and they had decided that it was not yet properly before the House for second reading, and that until that time there was nothing upon which he could report. The time for the report, he said, was when a Bill is called for second reading and is ruled by the Chair to be properly before the House for second reading.

Now, of course, we are considering third reading because the principle of the bill is discussed at the third reading stage.

In the debate on the Fisheries Act and the Narcotic Control Act it became clear that all members of the House might not agree with the Minister's advice that a proposed Bill was or was not inconsistent with the Bill of Rights.

Then, he pauses there and says if that conclusion is arrived at—and it is important to the inalienable rights of Canadians—then isn't it the duty of the Minister of Justice to refer that bill to the highest court of the land to find out. We are not supposed to speak here as constitutional lawyers. We speak here as parliamentarians. The hon. member for Vegreville (Mr. Mazankowski) made a very intelligent speech on this subject. It is not necessary to quote all the constitutional cases he referred to this afternoon. They should give him a law degree.

I shall continue the quotation:

In the debate on the Fisheries Act at least two members of the Opposition, Mr. Howard—

for whom I have a lot of respect.

—of the New Democratic Party, and Mr. Carter of the Liberal Party, stated that the new Act was still not in conformity with the Bill of Rights because, *inter alia*, the burden of proof of innocence rests with the accused—

Let us pause here for a few moments, because I shall quote a great legal mind. This is a person who used to be known as our wheat expert. He has gone to the other place.

In the debate on the Narcotic Control Act, Mr. Martin of the Liberals stated that the denial of the presumption of innocence in it was a violation of the Bill of Rights. Since that time every session has heard allegations that some Bills or proposed regulations are not in accordance with the Bill of Rights, and that the Minister has not exercised his responsibilities—

which he should exercise, and which I say he should do.

Let us apply that thinking for a few moments to this monstrosity. Let us just see how this bill would be interpreted by the Supreme Court of Canada or by Paul Martin. If he were seated here he would be eating the Tories out, as he used to do, even if there were 208 of us—chewing us like nails—if he had to put up with this. A judge who is satisfied by information upon oath, just a plain affidavit such as one can swear in certain offices all the time, that there are reasonable grounds for believing that any publication, copies of which are kept for sale or distribution in premises within the jurisdiction of the court, is hate propaganda, shall issue a warrant under his hand authorizing seizure of the copies. I have in my files the Cohen report which is full of copies of alleged hate literature from the United States. When this bill becomes law, will someone come to my office with an affidavit and go through my political files on the pretence he is looking for hate literature when he is really looking for other material? That is the point!

The Supreme Court of Canada, in view of their interpretation of the Bill of Rights and the BNA Act, would declare this bill unconstitutional. I hope I have time to develop this point. The hate law demands that one prove one's innocence. Take this little old picture of Prime Minister Wilson. The other day in the *Daily Mirror* he was referred to as a poodle dog. They said he sniffs and snorts at the public often and then hangs his head. If one had in his possession some document in respect of an identifiable group, whatever that means, and it were seized, then in seven days he must come before the court and prove he is innocent.

• (4:50 p.m.)

What kind of jurisprudence is this? What kind of nonsense is it? As an average Canadian, an average pleader and an average lawyer, I cannot believe that any court in this land will hold this kind of law constitutional. How can the minister believe in this law: If he does not believe it, then I ask him to do what the professor said in his book—seek advice. Make sure that it is either constitutional or unconstitutional, let the courts of Canada decide. But the hon. member for Calgary North is not going to approve this bill with that provision in it because I say it is unconstitutional. In any event, the bill would work against all minorities and against all people in any place where there is freedom of speech.

Now, we come to the constitutional problem of the Bill of Rights. Mr. Justice Hall from Saskatoon, an able pleader and a great lawyer before his appointment said in the Drybones case:

> The social situations in Brown versus Board of Education and in the instant case are, of course, very different, but the basic philosophic concept is the same. The Canadian Bill of Rights is not fulfilled if it merely equates Indians with Indians in terms of equality before the law, but can have validity and meaning only when, subject to the single exception set out in section 2, it is seen to repudiate discrimination in every law of Canada by reason of race, national origin, colour, religion or sex in respect of the human rights and fundamental freedoms—

Perhaps the only point which should be emphasized is that the Bill of Rights is far superior, not only superior as a form of document but superior in relation to its use of the words "race, creed and colour". These words have been used by many orators because they are so effective. The bill refers to "identifiable group" as meaning any section of the public distinguished by colour, race, religion or ethnic origin. Therein lies the difference. On this legal ground this hate bill is unconstitutional and should never have come before us. What a hangup most people have had? Tarnopolsky said:

> In interpreting the Canadian Bill of Rights the courts should not look to the preamble for statements of substantive law.

That is what the Supreme Court did in the Drybones case. You cannot equate an Indian with an Indian, and fancy trying to equate an Indian with a person off the reservation. An Indian could not get off the reservation to come and see me in my house. I buy him a few vodkas and he gets drunk. He is guilty and I am not because we are in a private place. It took ten long years for judges with imagination and creativity to properly apply the Bill of Rights. My main point is that the hate bill is unconstitutional.

Before I sit down I want to make one more point. I am convinced that many great men have had to be radical, and thank goodness they were. We would never have got children out of mines and factories, we would never have got unions formed, nor achieved justice and dignity for labour. Groups that have been separated by colour, or religion would never have obtained the freedom that they enjoy today in Canada if somebody had not incited trouble. That is why Martin Luther King is

recognized as a reformer. He incited the people of the United States; he told them about the deep prejudices in the south, and as a result of that incitement change was achieved. The cost for that incitement was his own life. We should take a good look at the clause in the bill which says that everyone who, by communicating statements in any public place, incites hatred against any identifiable group where such incitement is likely to lead to a breach of the peace is guilty of an offence. The defences under the bill to which the minister referred do not apply. I would like every member in the press gallery to pick up this bill and read page 2, section 267B. The defences do not follow that section; they are in reference to the other section which reads:

Everyone who, by communicating statements, other than in private conversation, wilfully promotes hatred—

These persons are guilty unless their statements are true. How can you prove whether a religious statement is true or untrue? Clarence Darrow in the monkey case illustrates the point. The section goes on to read: "if, in good faith, he expressed" an opinion upon a religious subject. The defence does not apply to the section about incitement. The hate bill should come to a knowledgeable vote. First of all, it segregates Canadians and does not build up the Canadian spirit; second, it is unconstitutional; and third, there is only one good thing that can come from this bill being approved by Parliament. If a person is charged with an offence, and that person so charged takes the case to the Supreme Court of Canada the hate bill will be declared *ultra vires*. The people of Canada will then know what horrible legal monstrosity has been passed to destroy the faith of minority groups and our right to speak our thoughts.

I say that without incitement there can be no charge. Read the editorial in the *Globe and Mail* of this morning. It points out that the past leaders of our national parties who brought about confederation would have been put in jail under this bill. John A. Macdonald and Laurier have stated matters of hate. As long as I am in parliament and changes are necessary, I will incite people to obtain reforms. If, as a result, I cause a breach of the peace and some attorney general wants to lay a charge, I am prepared to be a martyr because one could not give a man a better cause. All great men have accomplished reform in human behaviour and relationships by inciting people. What kind of pantywaists are we?

Amendment to Standing Orders

Mr. Deputy Speaker: It being five o'clock the House will now proceed to the consideration of private members business as listed on today's order paper, namely notices of motion.

• (5:00 p.m.)

PRIVATE MEMBERS' NOTICES OF MOTIONS

HOUSE OF COMMONS

SUGGESTED RULE CHANGE

Mr. Thomas S. Barnett (Comox-Alberni) moved:

That the Standing Orders be amended by adding thereto the following:— 117. The Standing Orders shall be amended only by the affirmative votes of at least three quarters of the Members of the House of Commons.

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I rise on a point of order with regard to the irregularity or illegality of the motion moved by the hon. member for Comox-Alberni (Mr. Barnett), specifically with regard to its wording.

The motion reads as follows:

That the Standing Orders be amended by adding thereto the following:

The addition to the Standing Orders of a new rule, that is Standing Order no. 117, is being proposed.

117. The Standing Orders shall be amended only by the affirmative votes of at least three quarters of the members of the House of Commons.

I should like to point out that the motion is not worded in the usual terms: That, in the opinion of the House, the government should study the possibility or the advisability of doing such or such a thing. That motion is not proposing an amendment to the B.N.A. Act, which says under section 49:

Question arising in the House of Commons shall be decided by a majority of voices other than that of the Speaker, and when the voices are equal, but not otherwise, the Speaker shall have a vote.

Now if the motion, as worded, were passed, it would mean that the Standing Orders of the House have priority over section 49 of the British North America Act. I think this motion, in its present form, should be declared void by the Speaker, in accordance with the provisions of Standing Order 51 which says, and I quote:

Whenever Mr. Speaker is of the opinion that a motion offered to the House is contrary to the rules and privileges of Parliament, he shall apprise the

House thereof immediately, before putting the question thereon, and quote the standing order—

In that connection, one must refer to citation 67 of Beauchesne's Parliamentary Rules and Forms dealing with the historical background of that question and particularly to citation 13 which says, and I quote:

A statute regulation—

such as section 49 of the British North America Act,

—supersedes, and cannot be abrogated by, any order of the House to which it applies.

Mr. Speaker, I suggest you refer to such citations as well as to page 228 of Sir Erskine May's 17th edition. Certain precedents are given and then it says:

[*English*]

A statute overrides, and cannot be superseded by, an order or regulation of one House or of both jointly.

And there follows an explanation of that principle.

Now, Mr. Speaker, I contend that the motion in its present form is absolutely void, that it should be declared out of order and rejected by the Chair as contrary to section 49 of the British North America Act which stipulates that decisions in the House of Commons are not made by a 75 or 90 per cent majority but should be made by a majority of members.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I should like to say a few words on the point of order that has been raised by the Parliamentary Secretary to the President of the Privy Council (Mr. Forest). I may say at the outset that in this party we have different views and I might not be 100 per cent in favour of my hon. friend's motion, but I certainly defend his right to present it to the House for the consideration of hon. members. The Parliamentary Secretary relies for his objection to the motion on section 49 of the BNA act, but then goes on to say that the Speaker must advise the House of anything that is contrary to the rules and regulations of the House. I noted in particular, when he read that rule, that there is no reference there to the BNA act.

On the other side of the coin I draw Your Honour's attention to citation 71(5) which appears at page 61 of Beauchesne's fourth edition, and which reads as follows:

The Speaker will not give a decision upon a constitutional question nor decide a question of law, though the same may be raised on a point of order or privilege.

[Mr. Forest.]

That seems to give the Parliamentary Secretary every right to raise this point of order and to have it discussed, but it seems to me that if, as he himself has said, the issue is a constitutional one then you, Sir, are barred by citation 71(5) from making a ruling on it.

I know that section 49 of the BNA act seems rather clear when it says:

Questions arising in the House of Commons shall be decided by a majority of voices other than that of the Speaker, and when the voices are equal, but not otherwise, the Speaker shall have a vote.

But it does not say what kind of majority, and I can see lawyers, who get more concerned over details than of course I would—

Some hon. Members: Oh, oh.

Mr. Knowles (Winnipeg North Centre): I hoped that remark would not go unnoticed. I can see them arguing over the fact that there can be different kinds of majorities. There can be simple majorities, two-thirds majorities, three-quarter majorities and so on. Then we have, right in the BNA Act itself, in section 91, a provision with respect to entrenched clauses that departs somewhat from the usual majority rule. In this, Mr. Speaker, I am not purporting to say what section 49 means but I am asserting that it is open to legal argument, and that that is precisely the reason for Beauchesne's citation 71(5) which protects the Speaker from having to make decisions on a constitutional point.

I draw Your Honour's attention to the fact that a few years ago we had a bill, or a resolution, in the name of the then hon. member for Lotbinière, Mr. Choquette, who wanted to make some change in the monarchy or in parliament's relation to the monarchy. The former hon. member for Winnipeg South Centre (Mr. Churchill) objected on a point of order. If I recall correctly there was a debate on the point of order, and Mr. Speaker took the position then that this was a constitutional issue on which Parliament could make a decision if it wanted to, but it was not the prerogative of the Chair to decide on a constitutional question, so the motion was allowed.

Therefore, Mr. Speaker, irrespective of whether we want to go along with the 75 per cent rule suggested by my colleague and friend, it does seem to me he has the right to present the motion and that the House has the right, if it wishes, to decide by a majority vote on a three-quarters majority rule. If someone thinks that that is unconstitutional

then the place to take it is to the Supreme Court of Canada, not to Mr. Speaker sitting in the Chair of the House of Commons.

Therefore, Mr. Speaker, while I think it is a very interesting point of order which the Parliamentary Secretary has raised, one that can lead to an interesting discussion, one we would all greatly enjoy, I think Your Honour's prerogative in the matter is clearly limited by citation 71(5) which says you shall not give a decision on a constitutional question.

• (5:10 p.m.)

Mr. Deputy Speaker: I thank both hon. members for their contributions, and I will agree with the hon. member for Winnipeg North Centre (Mr. Knowles) when he suggests that it is an interesting point of order which has been raised by the Parliamentary Secretary. What I would like to do is to exercise another option available to the Chair, the option to reflect on the point of order, and in the event that this motion comes to the point where a vote has to be taken, at that point I would certainly be ready to render a decision. In the meantime we might proceed with the motion without prejudicing the point of order raised by the Parliamentary Secretary.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I cannot say that the point of order raised on my proposed amendment to the Standing Orders came as a complete surprise to me. I regard this interesting point, as it has been referred to, rather as a matter of debate than as a point of order. In opening my remarks on this motion I might say that I believe that any sensible interpretation of section 49 of the BNA Act is that it obviously was intended to prescribe the manner in which the House would arrive at decisions on public questions, on matters of public policy, rather than having any relationship whatsoever to the internal management of the House of Commons itself, and the rules under which it should govern its proceedings. I may have some reference during the course of my remarks to what another member of this House had to say on this very point in an earlier debate.

Obviously, Mr. Speaker, this motion is intended to draw the attention of the members of this House to a debate which took place in this chamber last July; in fact, a debate which commenced on July 7, 1969 and came to a conclusion at ten minutes to two on Friday, July 25—a.m. that is. I mention this to recall to members of the House that we had a very extensive debate at that time on the question of the proposed changes to the rules of the House. This debate, because of its length, because of its fury on occasion and also because of some of the very fine contributions, indicated a crisis about the manner in which this House should operate, and the principles behind the rules of Parliament.

As far as I have knowledge, Mr. Speaker, there have been three principal occasions in the lifetime of the House of Commons of Canada when the question of the rules and the operation of the House has reached what one might describe as a fever pitch. One occasion was last July and, another was during the course of what is commonly referred to as the pipeline debate. These are the two of which I have personal experience. The third occasion was the crisis in the proceedings of the House arising out of what have been referred to as the great naval debates of 1913, and the procedural debate which resulted in the adoption into the Standing Orders of the House of the rule of closure.

Of these three occasions on which the debate of the House on its rules and operations reached fever pitch, the one last July was the most useless, the one for which there was the least excuse. Indeed, it could not have come into being had it not been for the inexperience and arrogance of some members of the present government. The House of Commons had been functioning in a mood which was conducive to a change in the rules by the ordinary method. The procedures committee of the House, during the earlier part of this Parliament, had brought to fruition a drastic reorganization of our procedures. These changes had, in turn, been the result of an extended period of meetings of the procedures committee begun during the period following 1963, when the Right Hon. Lester Pearson became prime minister of Canada.

I should like to recall to the attention of the House, Mr. Speaker, that during all of that period prior to the commencement of this Parliament in 1963, the procedures committee had sat with the Speaker as its chairman and had maintained the traditional attitude that the rules of the House were the property of the whole House and should be divorced, as far as any discussion of their change was concerned, from the hands of the government. This is a position which I believe had been maintained throughout the entire lifetime of the Canadian Parliament with the exception of one particular occasion when there was unilateral action taken by the government of

the day in 1913 to introduce a motion to amend the rules of the House. This was done without references to any procedures committee.

This sort of action, Mr. Speaker, lives long in the mind of Parliament. I know that when I first came to this House, quite recently really, the memories and echoes of that debate of 1913 were still in the minds of many of the more experienced members of this chamber, even though none of them had been in the House when it took place. The dean of the House then was the Honourable Chubby Power who, I believe, was first elected to Parliament in 1917.

But, Mr. Speaker, the advent of that particular rule, not only because of what it was but because of the method employed to bring it into the House, did grievous damage to this institution. In the minds of many people in Canada it was only overshadowed and faded into the background as a result of the crisis period which developed during the pipeline debate. The atmosphere of ugliness of the pipeline debate had all but disappeared from the minds and memories of members of this House when last July the President of the Privy Council (Mr. Macdonald) abandoned the standing practice and procedure of this House concerning amendment of the rules, for, apparently, a practice which is still to be maintained. Now, the Standing Committee on Procedure is to be a committee dominated by the government, as is any ordinary committee of the House instead of following the practice where His Honour the Speaker traditionally was chairman of that committee and the Clerk of the House of Commons was the clerk.

Quite frankly, Mr. Speaker, I do not expect the House to give easy passage to my proposal today. Indeed one or two of my colleagues have indicated that they have questions on its advisability. But I very deliberately put it on the Order Paper because I had hoped that when it came up for discussion in the House there could be some quiet reflection upon just what happened last July. Perhaps then the mood of the House would be to think how far we had departed from the tradition and practice of Parliament in the debate which took place then, which included the use of closure to enforce a new form of closure rule. To some of us, this was about the ultimate, except that as the time, and today, more important than the particular subject matter of any of those rules was the state of mind which would allow the crushing mass of an official government majority to force rule changes through this House of Commons. As far as my understanding goes, Mr. Speaker, this happened only once before, and that was during the adoption of the original closure rule to which I have already referred.

May I point out that because of the growing recognition of the need to streamline parliamentary business, recent rule changes had already achieved a great deal. In the discussion last July there was no argument, nor was there in procedural committees for a period of years prior to that, about the need for change. Indeed, in all the procedural committee meetings in the years following the aftermath of the pipeline debate, no one at all seriously suggested the abolition of the closure rule about which there was such a serious battle at the time of its introduction, a battle that was bitter not only because of the proposed change in the rules but also because of the manner in which it was enacted. The government of the day, led by the right hon. Mr. Borden, decided, in order to achieve its purposes, to force this change of the rules through the House unilaterally. That is why for so many years the mere mention of the closure rule was a nasty thing in the minds of so many parliamentarians, and in the minds of so many people across the country. Indeed, it was also the reason the pipeline debate had the impact on the Canadian people which was indicated in the results of the general election next following.

• (5:20 p.m.)

I should like to refer just briefly to one or two of the things that were said in that debate on the matter of the closure rule in 1913 to indicate something of the atmosphere and the temper under which that motion was introduced. I note that the Leader of the Opposition, who was Sir Wilfrid Laurier, was not granted the normal courtesy of the House. He was not allowed to follow the Prime Minister when he introduced the motion but, by a motion that somebody else be heard, the government's majority denied the leader of the Opposition the traditional right to reply to a statement coming from the leader of the government. That was symptomatic of the atmosphere which had been generated in the House by the government. Mr. Borden moved his resolution in April, 1913. I am about to quote from page 8426 of *Hansard* for April 23, 1913. Mr. Macdonald, the member for Pictou, was speaking, and he said in part:

> Talk about parliamentary rules and parliamentary amenities? They have become a thing of the past

as a result of the attitude of hon. gentlemen in regard to this matter. The hon. member for Westmorland (Mr. Emmerson) referred to the unconstitutionality of this resolution.

This is not the first time that questions of constitutionality regarding procedural amendments have been raised. The *Hansard* report continues as follows:

I venture to say that the Minister of Justice will not assert that the Government had any right to submit this resolution in the form it is submitted. What was the position? There being no express rule of this House providing for a method of amending the rules of the House, you proceeded to rule I and found that the custom and usage in England before 1867 governed, and in 1867 there never had been a rule amended except by referring it to a special committee of the House of which Mr. Speaker was a member. Therefore, these hon. gentlemen broke the rules in trying to impose this tyrannous Tory proposition upon the people of this country and upon this House. If any municipal body proceeded to pass a by-law as the Government are passing this resolution, that by-law would be declared illegal and invalid by every court in the country.

The next man who spoke was the Right Hon. Arthur Meighen, the man who, according to my reading, was the real architect of the closure rule. The *Hansard* report continues in this vein:

Mr. Meighen: Would the by-law be also illegal and invalid if it were put through in the way the hon. member wants the resolution put through, by a committee of the House and then passed by the House?

Mr. MacDonald: Oh, not at all; it would depend on the statute and usage governing the municipality. My hon. friend is at his old trick in making a suggestion of that kind but it will not do. My proposition was that if the proper method to amend the rules of the House was to proceed under the usage of the Imperial Parliament as before 1867, the Government are not proceeding along these lines.

You see, there is the nub of the whole issue stated on April 23, 1913, in the debate on the resolution introduced by the prime minister of the day to put the closure rule into the Standing Orders of the House. The fact of the matter is that this House, in its Standing orders, has never had any rule covering the Standing Orders because, until very recently, with this one exception, it was never considered that it would be necessary to have in the Standing Orders provision for an amendment to the constitutional practice of this House. This is the whole point of my motion. If we are to have a government which adopts the attitude that it can bring any kind of motion at any time it wants in order to amend the rules of this House, then there must be written into the rules some kind of protection for the minority of the members of this House. I would much prefer that the rule of gentlemen prevail, a rule sometimes referred to as the rule of the ancient usage and customs of Parliament, the long standing effect of which is that it is unthinkable for the rules of this House to be amended except after discussion and consideration by a committee of which Mr. Speaker is the chairman. The fact he is Chairman emphasizes the fact that the committee referred to is a committee of Parliament and not a committee which in any way is a tool of the government. That, Mr. Speaker, is the issue; that is the point of my motion.

If I could get some kind of assurance from the government that it realizes this was not a proper and orderly method of amending the rules, that it would not happen again, that it was prepared to revert to the normal usage and practice of Parliament and that it would not infringe on the rights of the House, then I would be overjoyed to withdraw my motion from the Order Paper. But unless and until we are given some kind of understanding that the rules of the House are not pawns of the government, I intend to press for something along the lines I have suggested to be written into the Standing Orders. Whether it should be three quarters of the members to constitute a majority is a question that is open to discussion and debate. Certainly, we should not amend the rules of the House at the whim of the government and its supporters in the House of Commons. This, to me is the issue, the fundamental issue.

I should like to point, in closing my remarks, to just one other aspect of our rules. When we talk about the rules and usages of Parliament, let us remind ourselves that while we voluntarily agreed to some restrictions in our rules, up until very recently in the history of this Parliament one dissenting member could prevent any alteration of the Standing Orders of the House. In other words, it took unanimous consent to suspend the rules. If that does not underline the basic principles that I am trying to get at in this resolution, I do not know what can do it better. The fact that one member could say, "nay", after which Mr. Speaker said, "This will not be done at this time", is an indication of the long practice which has existed of protecting the right of minorities in this institution to which we belong and which is, in the last analysis, the keeper of the freedoms of the people of Canada.

Amendment to Standing Orders

• (5:30 p.m.)

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I believe every member of this House shares some of the sentiments which have been expressed by the hon. member who moved this motion. All would agree, I feel, that the general interest of the House is best served when procedural changes are made only after the widest search for a consensus and only after seeking the concurrence of all hon. members or, at least, of all the important parties represented in the House of Commons.

However, it has been shown by the history of this chamber, as indeed it has been shown by history at Westminster, that this type of consensus cannot always easily be obtained. During the first session of this Parliament I had occasion to look very carefully at the many changes which have been made in the rules at Westminster in recent years. We pay great attention, and I think properly so, because of the long history of that Parliament, to its rules, usages and procedures. The work which was undertaken in reforming and revising the rules of this House owes a great deal to the experience of our fellow legislators at Westminster.

I found that many of the recent rule changes at Westminster were proposed by representatives of the government party. Many of the most important were passed only after debate and after recorded divisions. On reading those debates and the comments on them I did not find anywhere the suggestion that it was improper for a majority of members to make a decision to change the rules. In fact, what press comment I saw was to the effect that the government had not moved quickly enough or gone far enough in proposing these changes.

My first contention is, therefore, that it is not improper or in any way anti-democratic, or against the interests of a parliamentary system, for the rules of this chamber to be altered by decision of a majority of its members. Indeed, speaking in terms of democratic principle I would suggest it is much more difficult to assert the view that a small minority in this chamber should have the power of veto to prevent changes being made—that a small minority should have the power to paralyse. I do not hesitate to advance this contention. It is a demonstrable democratic fact that the group which is held accountable by the people of Canada for the actions of this chamber is the majority party.

There is no democratic mechanism, as far as I am aware, which can call to account a small minority which may impede important and necessary changes. On the other hand, the power of the majority must be exercised with prudence and discretion; if the majority acts unwisely, at least the people know who is responsible. If improper action is taken, the people have their right and they can exercise it against the majority. But I say it is impossible for the people acting in this fashion to call to account a small minority which may on given occasions have the power to veto important changes in this chamber.

[Mr. Barnett.]

There is one example which will be recalled by all hon. members. As they know, the constitution of the United States provides that the President shall have power, by and with the advice and consent of the Senate, to make treaties provided two-thirds of the Senators present concur. I suppose there was no sadder decision in all recent history than the decision of the United States Senate not to ratify the League of Nations. We all know in retrospect that this was a terrible decision. The proposal received majority support but not the necessary support by two-thirds of those present. We remember, of course, the words which ring down through the doleful history of our times; the late President Wilson's description of the "little group of wilful men" who frustrated him in taking an action which to a large extent, in the opinion of many people, might have obviated the slaughter we experienced later on.

It is my contention that in terms of democratic principle it is proper that decisions as to changes in the rules of this House should be left with a simple majority.

Some hon. Members: Hear, hear!

Mr. Blair: The majority is accountable. The majority will suffer if it acts improperly. On the other hand, the minority is not accountable. It cannot be found. There is no way in which the public can express its views on the inaction imposed by the minority in circumstances which might arise if the proposed motion were passed.

Mr. Knowles (Winnipeg North Centre): They could defeat the minority at the next election.

Mr. Blair: Well, that has been happening for all the elections I can remember. The minority has never obtained the degree of confidence from the public which would enable it to form a government. I say this in no unkindly way. I appreciate the desirability

of securing approval for proposed changes from as many hon. members as possible. But I should hate to see us placed in a position where we were paralysed, where we were subject to the veto of minority groups and where we could not act if action became necessary.

• (5:40 p.m.)

Mr. Barnett: Mr. Speaker, I should like to ask the hon. member whether he really understands what he has been saying. He says a majority party has never been defeated, which implies there has never been a change in government in Canada since Confederation. A minority has been increased so as to become a majority many times, and the contrary has also happened. Is this not correct?

Mr. Blair: Certainly the whole nature of our politics is that parties change, that governments change, and I have never yet heard anybody contend that this is not in the public interest. What I am saying is that when particular actions are taken in this House, whether by the enactment of legislation, the passage of substantive resolutions, the passage of estimates or the passage of procedural rules, somebody is accountable for what takes place. Under our present system the persons who are accountable, by and large, are the members of the majority who support the government then in power. If they make improper use of this power, if they act unwisely, then there is, as we all know, a very fast and sometimes overly efficient way for the public to deal with them.

I do not think that the view which the public takes of this chamber is one that should compel any hon. member to feel that we should adopt a procedure which would paralyse us in the nature of making further amendments to our rules. I have said before, and I have no hesitancy in saying again, that the view that the public takes of this House is, unhappily, far from being a laudatory one. I think all hon. members, whether they sit on this side or on the opposition side are aware of the fact that the public feel that many of our procedures, notwithstanding the great reforms that have been made, are outmoded, that we still are not in tune with the times and with the necessity for transacting large and important items of public business in time to confer essential benefits on the community.

I cannot share all the criticisms that are made of this chamber because some of them are made in ignorance of the true nature of the parliamentary process. But there is indubitably a feeling in the country that we are not quite doing our job, and I think that the public at large would view with alarm and dismay any suggestion that further reforms of procedure in this Parliament could only be possible if very rigorous procedural rules could be met.

As an example, Mr. Speaker, of the current view of our Parliament, let me refer to an editorial which appeared in the Iroquois *Post* for Wednesday, April 8, written by Peter Ward who is said to be a Toronto *Telegram* syndicate reporter. The article is entitled "It's a sad Parliament" and reads in part as follows:

> Early in the daily proceedings of Parliament comes that 40-minute exchange between the opposition and government known as the "question period". It's basically a time when cabinet ministers can expect to be put on the griddle for their sins, hence that 40 minutes often produces the best news copy of the day.
>
> The question period certainly hasn't been the same since the Pearson-Diefenbaker personality feuds have been replaced by the Trudeau cool and the Stanfield stammer.
>
> The opposition in this Parliament has been terrible. There has been no concentrated probing for government weaknesses, although Lord knows there are many, and very few strong personalities have emerged from the non-government side of the House.
>
> Some of the few opposition backbenchers who have tackled the government have received little or no help from the more august names in the front row, where the occupants seem bent on playing the worn-out game of party politics, forgetting that public opinion has consistantly rejected such shenanigans for years.
>
> The old-liners have lost their credibility.

It is a hard thing for us to accept the fact that this kind of editorial column comment is made across the country about our proceedings, but it does reflect what is a basic view of this Parliament. I suggest that not only in terms of democratic and parliamentary principle, but in keeping the mood of modern Canada it would be a mistake for us to adopt a proposal such as that made by the hon. member and lock ourselves into a position where any important changes in the rules of this chamber could only be made over the power of a small group of members to veto and defeat them.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when I intervened on the point of order I suggested that I was not completely happy with the proposal made in my colleague's motion. However, in the light

of the debate there are one or two comments I want to make. The aspect of the motion that bothered me was the attempt to fix a rigid formula by which our rules would or could be changed. I do not like it being done in that way. I prefer the way that the hon. member for Comox-Alberni (Mr. Barnett) talked about, the method that we used for many decades, namely, consensus among the members of all the parties in the House.

Having listened to my hon. friend from Grenville-Carleton (Mr. Blair) I gather that it is the view on that side of the House that we should confirm the practice that we have had for a couple of rounds, namely, letting our rules be amended on the vote of a simple majority. If we are going to have a rigid form, then let us have one that protects the minority, and on that basis I would support the resolution now before us.

I would say, however, that common sense tells us that we should not rely on either of these formulas. Let us not have it confirmed as the practice for all time that a simple majority can dictate the rules of the House. Let us not have even a three-quarters majority so confirmed. Let us have the rule of consensus that has worked so well for many years. I am speaking not simply of the history I have read but of the history of some of the years I have been in this place.

I am afraid that my hon. friend from Grenville-Carleton confuses two things. He confuses the passing of legislation, the deciding of issues, and all the matters that come before Parliament and which a government that has been elected is committed to do something about, with the rules of this place, the constitution of this establishment, the things that were here when we came to this chamber, no matter which side of the House we are on. It is one thing to say that the government has the right by a simple majority to put through its program after debate, but it is another thing to say that the government of the day owns the place and has the right by a simple majority to change its rules.

Mr. Gibson: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Hamilton-Wentworth (Mr. Gibson) on a point of order.

Mr. Gibson: Would the hon. member permit a question?

Mr. Knowles (Winnipeg North Centre): I thought the hon. member was raising a point of order.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Gibson: Well, would the hon. member permit a question?

The Acting Speaker (Mr. Béchard): That is not a point of order. If the hon. member wants to ask a question, he requires the permission of the hon. member who has the floor.

Mr. Knowles (Winnipeg North Centre): He has it, but I think he should ask for it and not raise it as a point of order.

Mr. Gibson: Mr. Speaker, I apologize for the erroneous manner in which I got to my feet. I wish to ask the hon. member a question.

Mr. Knowles (Winnipeg North Centre): Go ahead.

Mr. Gibson: The hon. member just made reference to the constitution, the provisions of the British North America Act. I believe unintentionally he gave the impression that the wording was different from what it is. Has the hon. member got the section from which he quoted, because I am sure the words used are not the words that are in the act?

• (5:50 p.m.)

Mr. Knowles (Winnipeg North Centre): In my reference just now I was not talking of the constitution, the British North America Act; I was talking about the rules, the set-up, the way in which this place is constituted. I suggest that is something that has been worked out by consensus of the Parliaments we have had in the past 100 years, and that no one government here between two elections has the moral right to change that without the consensus of the House as a whole. We have been back and forth over this point. We went through it, of course, at great length in the debate last June and the debate the previous December.

I submit my friend the hon. member for Comox-Alberni is right, that the consensus way is much the better way. I am very sorry to hear the hon. member for Grenville-Carleton state the position from that side of the House that because they are in power they think they have the right to change the rules of this place. I might in parentheses ask what we stayed here for last July. We stayed around all that month on the infamous rule 75-C which has never been used. Of course, it cannot be used anyway, so we wasted that month.

As for this line that is constantly handed out that the public thinks we are not doing our job, I suggest if the public has any dissatisfaction with this Parliament, it is not over the time it is taking on the issues that come before us but it is the absence of issues that are worth taking our time. That is an aside and someone should have called me to order. Back to the issue itself, I think the hon. member for Comox-Alberni is to be commended for asking this House seriously to consider whether we should not get back to the old tried and true way of dealing with the rules of this House, namely, by a consensus of all concerned, not by the dictatorial action of the majority of the day.

[*Translation*]

Mr. Forest: Mr. Speaker, you have postponed your decision on the motion introduced by the hon. member for Comox-Alberni (Mr. Barnett) and I suggest that the issue might be a constitutional one. It seems obvious to me that the motion, as introduced by the hon. member, is quite illegal and void if you consider the very clear provisions of the British North America Act, because it does not express a desire or a wish. It should have been worded as motions of this kind usually are: that, in the opinion of this House the government should consider the advisability of amending the Standing Orders so that they could not be changed except by an affirmative vote of a certain number of members.

[*English*]

Mr. Barnett: I rise on a point of order, Mr. Speaker. The Parliamentary Secretary is obviously reviving the point of order he raised at the outset. I should like to point out to Your Honour that I did have consultations as to the drafting of this motion. It is not, as most motions are, a request that Parliament ask the government to consider the advisability of doing something. This motion is, quite properly, the property of the members of this House, not of the government.

If the Parliamentary Secretary wants to debate this point of order, he should recognize that my motion would not have appeared in this form had it not been the proper form for a subject matter of this kind. Questions as to the form of a motion are checked with the proper people before a motion is put on the Order Paper. I am not asking the government to consider the advisability of anything; I am asking the members of this House—and this is my point of order—to consider a proposal to amend the rules of the House.

[*Translation*]

Mr. Forest: Mr. Speaker, I agree with the hon. member when he claims that he is introducing his motion in a positive way so that it has the effect of bringing about a change in the Standing Orders of the house.

However, the Chair has not made a decision with respect to the point of order. In my opinion, it is still consistent with the Standing Orders to talk about this point of order raised when the motion was introduced at the beginning of the private members' hour.

If the motion in its present form were to be passed, it would constitute a precedent, for it would have the effect of blocking the implementation of section 49 of the British North America Act. The hon. member for Winnipeg North Centre (Mr. Knowles) has dealt with a point which reflects the weakness of his argument. Indeed, he maintains that the majority is not defined in the British North America Act, and that it may be a matter of a majority of 75, 80 or 90 per cent.

Now, I do not find that argument very serious, and the more so since, in the same section, it is pointed out that should the votes be equal, the Speaker shall decide. It is clear—and such has always been the practice in the House—that the majority, that is half the votes plus one, decides when a question is put to the House.

However, Mr. Speaker, reverting to the motion before us, the proposed amendment would mean that in order to amend the Standing Orders—and they no doubt have to be improved—198 yeas out of 264 votes would be necessary.

I heard some hon. members mention that we still have to modernize our Standing Orders. Now, to require a majority vote from three quarters of the members of the House would by no means be a proper way to improve or modernize them.

I agree with the hon. member for Winnipeg North Centre when he says that, generally speaking, amendments to the Standing Orders require unanimous consent from the hon. members. In most cases, we have proceeded accordingly, and the government never imposed its own views, because some committees sat for months and for many years in order to study the Standing Orders and suggest changes. All parties were represented on such committees. They could make their views known, and several recommendations made unanimously by the committees were adopted by—

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

At 6 o'clock the house took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*English*]

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENTS RESPECTING HATE LITERATURE

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) for the third reading of Bill C-3, to amend the Criminal Code.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I will take only a moment on third reading of this bill. As one member who moved an amendment to this bill which was defeated in the committee and in the House, I am anxious to go on record in this debate as saying that despite the defeat of my amendment which dealt solely with one aspect of the bill, in my opinion on balance the bill will be for the benefit of the Canadian people.

When I spoke earlier I did not deal with other than the provisions in respect of genocide. To my mind the further provisions are the most important aspect of this legislation. The Cohen committee found there is need for the legislation proposed in this bill. I refer, without reading it, to page 59 of their report. The Senate was concerned, the Standing Committee on Justice and Legal Affairs of this House was concerned, and with the qualifications and reservations expressed by many of us this bill has now reached third reading stage.

I was finally persuaded by the speech of the hon. member for Hamilton West (Mr. Alexander) of Tuesday, April 7, as recorded at page 5609 of *Hansard*. Accordingly, bearing in mind the conscientious, honest and learned opinions of the right hon. gentleman and other members of this House who have contrary views, I shall vote for the bill in the hope that it will show that in this country we give more than lip service to racial and religious equality and that, in addition, we will not tolerate statements made in public which incite hatred when such statements are likely to lead to a breach of the public peace nor will we tolerate persons wilfully promoting hatred other than in private conversations without any justification or excuse. No such conduct, to my mind, should ever come under the guise of freedom of speech or communication in a modern state such as Canada is today.

Mr. Woolliams: Mr. Speaker, would the hon. member permit a question? I respect his legal opinion. Does he think the bill, taken in its entirety, is constitutional?

Mr. Hogarth: Yes, Mr. Speaker.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, although I have not participated previously in this debate I have listened to many of the speeches and have been quite impressed with the sincerity of those who have participated. This debate has produced a great deal of smoke and some heat with very little fire. My ancestors were very outspoken people. They came from northern Ireland. I say "came" because they were driven out of that part of Ireland because they protested and became known as Protestants. They went to Scotland, and even the Scottish could not stand them. Then they went to Canada and settled and helped establish the community of Orangeville. Over the years in northern Ontario, where many of them subsequently went, they were able to mix with other people and thus moderated their views. Now they express moderate protests against various things and even against various people.

Legislation of this type has been passed in other countries. If one were to examine the legislation passed in Germany one would find that that country had similar legislation. Charges were laid under it. We are all aware of the final result in that country.

Mr. Speaker, it seems to me that the Bill of Rights, which was to establish for people rights in respect of other pieces of legislation, has not accomplished all the good which it was anticipated would result from it. I am of the opinion that this legislation also will accomplish nothing unless the people of Canada wish it to do so. Personally, I am not interested in cluttering up the statute books of our nation with legislation that will exist only because the people themselves accept it. In Canada we have not needed this type of legislation for 100 years, and I can see no justification today for the passage of this bill.

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

Some hon. Members: Question.

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

Some hon. Members: Yes.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Some hon. Members: Oh, oh!

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. Turner) which was agreed to on the following division:

YEAS

Messrs:

Aiken
Alexander
Allmand
Badanai
Barnett
Barrett
Basford
Béchard
Bell
Blair
Blouin
Borrie
Boulanger
Breau
Brewin
Broadbent
Buchanan
Caccia
Cadieux (Labelle)
Chappell
Chrétien
Clermont
Cobbe
Cullen
Deachman
Drury
Duquet
Forest
Foster
Gendron
Gervais
Gibson
Gilbert
Gleave
Gray
Greene
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Harding
Hees
Hogarth
Hopkins
Howard (Okanagan Boundary)
Hymmen
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Lachance
Laing (Vancouver South)
Langlois
La Salle
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (Lac-Saint-Jean)
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Macquarrie
McIlraith
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Murphy
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Pilon
Reid
Richardson
Roy (Timmins)
Roy (Laval)
Stafford
Tolmie
Trudeau
Turner (Ottawa-Carleton)
Wahn
Walker
Whiting—89.

NAYS

Messrs:

Baldwin
Cadieu (Meadow Lake)
Caouette
Carter
Comeau
Crouse
Diefenbaker
Dionne
Flemming
Gauthier
Godin
Hales
Harkness
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Laprise
Lundrigan
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
MacRae
McCleave
McGrath
McIntosh
Mahoney
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Noble
Nowlan
Paproski
Peters
Ritchie
Rodrigue
Saltsman
Schumacher
Scott
Southam
Stewart (Marquette)
St. Pierre
Tétrault
Woolliams—45.

• (8:30 p.m.)

Bill read the third time and passed.

• (8:40 p.m.)

CANADA GRAIN ACT

ESTABLISHMENT OF COMMISSION, PROVISIONS RESPECTING GRADING, LICENCES, ELEVATORS, ETC.

Hon. H. A. Olson (Minister of Agriculture) moved that Bill C-196, respecting grain, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, the bill before us is a very significant piece of legislation providing for an updating and revision of the long-standing Canada Grain Act. This act is a key instrument in achieving an orderly and effective grain marketing and handling system in Canada, providing as it does for quality standards and quality control and for standards and procedures for the handling, transportation and storage of Canada's grain crops.

In the average year Canada produces approximately 1.5 billion bushels of grain, and in terms of dollar value this represents in the neighbourhood of $2 billion. To cope with an industry of this magnitude we must have an effective grain handling system and storage facilities. To market grain efficiently we must also have a rational and efficient grading system which effectively serves the available market.

Canada's trade in grain is a very large and very basic component of the total economy and contributes very substantially to the well-being of Canada. The ability of Canada to achieve and maintain her share of the world market will depend in very large measure on the quality of Canadian grains and on effective segregation of the grain into grades reflecting quality differences and the needs of the market. Here I might mention in particular the quality specifications and requirements of our customers.

Advancing technology, Mr. Speaker, is having a major impact on the grain industry of the world. Important developments have taken place in almost all the advanced nations in new and advanced processes relating to milling, baking, malting, macaroni making and other forms of the utilization of grains. For example, bread may now be produced by newer methods based on physical dough development and continuous baking systems instead of on the traditional methods through yeast fermentation.

There has also been considerable progress in methods of scientific evaluation and in control techniques and procedures. These developments have resulted in correspondingly more sophisticated requirements and specifications for grains in world markets. These specifications must be met, especially in view of the fact that alternative sources of supply from other countries have become more and more competitive.

Taking into account these quality requirements of our customers, the legislation that is before the House tonight has been designed to place Canada's industry in a position to meet these new challenges in export and domestic markets. It provides the flexibility to make changes and will enable us to change our standards and our grading from time to time in view of further developments.

The present Canada Grain Act, Mr. Speaker, sets out the grade standards for the various grains in the act itself and therefore can be changed only by an amendment brought before this House. This new bill sets out the grade standards as a schedule to the act. Therefore, the Governor in Council will have authority to change present grade standards, to establish new grades and generally to change the schedule of grades set out for any of the grains included in this act.

In urgent situations, for example, changes in the schedule of grades set out for any of the grains included in this act can be brought about quickly. I suggest that this is essential because opportunities sometimes come quickly and we must be in a position to respond to those changes. As a general rule, however, and in the interests of continuity we think it will probably take at least eight months to change any of these grades. I say that because there is, of course, a very important financial involvement so far as the inventory on hand that has been purchased from the producers is concerned, because that has not yet found its way through the gathering and transporting system to be loaded as export cargo.

The bill also provides for the inclusion of other quality factors such as protein content of wheat in establishing grain standards. This bill places the government in a position to implement, just as soon as is practicable, new grain standards for wheat which include protein as one of the quality factors. It, similarly, places the government in a position to deal with changes in other grade standards which may arise from time to time.

The authority of the Board of Grain Commissioners, named the Canadian Grain Commission under the new act, is also broadened to give the commission the ability to exercise authority, as the situation warrants, over the entire grain elevator system, including facilities such as feed mills and elevators associated with the processing industry. In the past their authority has been restricted to country, terminal, transfer, eastern and mill elevators. The elevators will be classified according to their principal use and will be licensed in a corresponding fashion.

The bill provides for a more complete control of railway cars and of grain movement. Authority, for example, to allocate available railway cars among shipping points will be continued. The Governor in Council will have authority to require elevator or railway companies to place at any particular point railway cars for the carriage of grain. In addition, the Governor in Council will have the authority to decide which minister or agency of the government shall exercise the powers of allocation of railway cars among the points and, indeed, among elevators at a particular

shipping point. The bill provides the legislative base for the block system of grain transportation that was recently introduced into western Canada.

What has been done in the past few months really has been within the ambit of an agreement among interested parties to conduct their part of the block system in such a way as to achieve its objective, that objective being that the Canadian Wheat Board can be reasonably if not absolutely sure that precisely the kind of grain they have called for to be brought forward will be in fact the kind of grain that is in the railway cars and being delivered to the terminal elevators during a period when those kinds are needed. The reason behind this is that we do not wish to block, plug or congest the terminal system or railway system with the kind of grain that is not saleable at that particular point in time, to the detriment of our sales commitments with respect to that grain that is saleable.

In summary, Bill C-196 represents a complete revision of the Canada Grain Act. It is based on a study in depth covering an extended period of time and extensive consultations with industry representatives, ranging all the way from the producer to the ultimate terminal operator who loads the grain into our customers' ships. Furthermore, it will place the government and the Canadian Grain Commission in a position to serve the interest of the Canadian grain producers and the total grain industry. It is my firm belief that this act provides for the co-ordinated and efficient grain grading and handling system which we now require in the 1970s. It also equips us to make changes that may be needed to meet new developments and to meet new challenges in our domestic market and, more particularly, in world markets.

• (8:50 p.m.)

The general objective of this act is to protect the interests of the producers, to safeguard the quality of Canadian grains, to provide for an effective handling system and to achieve maximum acceptability of Canadian grains in domestic and export markets. A more specific object is to update the act so as to conform with present-day practices in the grain industry and provide greater flexibility in meeting requirements of export and domestic markets.

The act is divided into eight parts; I shall not refer to specific clauses, but just to the eight sections. The first deals with the constitution of the Canada Grain Commission; the second deals with grain grades, grading and inspection; the third part deals with licences and licensees; part four, with elevators and grain dealers; part five, with the carriage of grain, and part six, with enforcement and enforcement procedures. The seventh part is general in nature, and part eight has to do with transitional measures and consequential matters such as the repeal of the present act and the commencement of the new one when the regulations supporting the various statutory provisions are in force.

The last major revision of the Canada Grain Act took place in 1930, since which time many changes have occurred in the grain industry at home and abroad. We are all aware of this. The grain market, which was then mainly Europe-oriented, is now worldwide. A far greater percentage of our grain is used in Canada, particularly for livestock feeding. This is taken into account in the amendments.

The Canada Grain Act was designed to provide legislative authority for the control of the grading and movement of grain in both the private and the publicly-owned elevator system. This control is established in two ways; first, by setting up grade standards for the quality of all Canadian grain and imposing the requirement that grain movement through commercial channels should meet these standards; second, by establishing a licensing procedure which enables the board to control licensed elevators and ensure that the objectives of the act are attained.

In administering these provisions the board is required by the act to establish grades for new grains when required, maintain quality of standards for grades already established and provide for the proper segregation, storage, and treatment where necessary of all the grain moving through licensed facilities. All licensees are required to provide adequate insurance and bonding for the protection of grain while in storage. Tariffs for handling and storing grain are approved by the board. The board is also required to investigate all complaints made against licensees and to settle disputes arising within its jurisdiction. Broad powers are provided to arbitrate claims and disputes in the grain industry between parties other than licensees if there is agreement between the parties involved that the board should act as an arbitrator. The board also ensures the ordinary movement of grain by public carrier; it is empowered to exercise limited control in this area. The act also provides for a more extensive control over grain

transportation by authority of the Governor in Council. Finally, as I said, the act provides the legislative basis for the block system.

In drawing this statement to a conclusion I should say that requests have been received from farm organizations and spokesmen for the grain trade in the last few years for a revision of the act. Over a two-year period the board has met with various segments of the industry and with departments and agencies of the government to discuss in general terms the changes which it is felt should be incorporated in the next act. I think it is fair to say there is general agreement that changes are required and that the changes proposed here reflect, in general, a consensus of the views expressed to us.

The proposed bill is a complete package. No further amendments are contemplated except perhaps one, and this has to do with whether or not there ought to be a levy or a check-off of some kind against producers to be used to support such agencies as the Canadian Grain Council and for other research, whether market research and development or in other fields. We should like this bill to be referred to the standing committee, at which time representatives of the producers could appear before the committee and indicate how they would expect a fund of this kind to be administered.

It would be fairly simple if the total amount were to be handed over or transferred to the Canada Grain Council which, of course, has a large producer-organization representation on it. But if other purposes were to be supported by this fund, it seems to me it would be advisable to hear from producer organizations how they feel the fund ought to be administered for these and other purposes. We would then be prepared to entertain an amendment which would reflect those views. It should also be noted that hon. members of this House, many of whom are in close touch with grain growers, are in a position to give us an indication of the manner in which a research check-off ought to be administered. No doubt hon. members will give us the benefit of their views in committee.

We have no particular resistance to making provision for this in the Canada Grain Act, but it seems to me that if we were to include a clause dealing with the matter before hearing from hon. members and from representatives of producer organizations we would be obliged to go fairly comprehensively into the manner in which such a fund would be administered. I think it should be done the other way around; that we should first hear what they have to say and then bring in an amendment in such a way as to ensure its acceptability not only to hon. members but to the representatives of the organizations concerned.

The bill is a revision of the present Canada Grain Act. It does not enter into any new areas of authority, with one exception. It covers essentially the area covered by the present act. The exception is that it changes some of the provisions respecting grades and these, of course, will be studied at length when we get into the committee.

• (9:00 p.m.)

In summary, the bill provides for an essentially greater degree of flexibility and for a better integration of authority in this field. The bill represents a complete revision of the act. It was based on an in-depth study that covered an extended period of time, made by a committee that I am happy to say was thoroughly familiar with the Canadian grain industry. It is also significant that the act will provide for a greater degree of flexibility with respect to dealing with the changes made in grade specifications. When discussions in this regard are undertaken there is little doubt that the subject of protein as a grading factor in segretating Red spring wheat will be raised.

It must be emphasized that the bill provides only the mechanics for dealing with this new grading criterion. As far as the inclusion of protein in our grading system is concerned, the board has made a number of proposals the details of which are under consideration. The details of a workable procedure will not be completed perhaps to the point where they can be reflected all the way back to the producer before the bill becomes law. It could take as long as two years fully to implement a segregation system for wheat which would include protein as a factor. One of the main problems in this respect, of course, is in dealing with the very large inventory of wheat we already have in commercial channels.

I also want to advise hon. members that we do not intend to wait until we have a completely integrated system that reflects these changes in grade standards all the way back to the producer before we take some action to respond to our customers' requirements so far as minimum guarantees of protein are concerned. I believe there are some things we can do now, even with the inventory that we

have in place, to segregate grain according to minimum protein content. To the extent that we are capable of doing that, I think we should begin very soon. Indeed, some experimentation has been done along this line already. What is more, the millers of Canada who are aware of where the various levels of protein grade grain are to be found—this is done by shipping points—in fact place orders at particular shipping points depending on the protein tests made on wheat grown in the area in any given year, though this changes from time to time.

Another factor is that some of the grain coming out of that shipping point may be current year grain or grain stored from last year, or indeed the year before. This makes for more imperfection, of course, but the fact is that the mills which have been calling grain forward on this basis for their own purpose have been able to get grain with about 1 per cent higher protein than the average level for the whole crop.

I commend this bill to the members of the House of Commons for their consideration and trust that hon. members will very shortly see fit to send it to the Standing Committee on Agriculture which will call experts and go into the detail of the various clauses. In conclusion, I suggest the bill does meet the modern requirements of our grain handling system, and I hope hon. members see fit to pass it in time for the government to put many of the provisions into effect with the beginning of the new crop year.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should first like to reply to the statement of the minister that he believed that some action should be taken in regard to giving an assurance to our customers that we can supply a certain level of protein wheat, even at this stage. I do not think there would be too much reaction, particularly at this time of glut, if the government were to decide to take immediate action in this regard. In fact, I am rather surprised that there has not been any effort made in the last little while to accomplish this.

Mr. Olson: Yes, there has.

Mr. Korchinski: I realize that the block system is part of the over-all plan. However, I think we should proceed one step further and actually tell our customers that it is quite a simple matter to draw wheat from a given area. However, I will not go into the detail of that.

With regard to another suggestion that the minister made concerning making a check-off, I have an entirely different reaction. I believe there will be a certain amount of opposition to this suggestion, and for this reason perhaps the minister has hesitated in introducing it. He nods his head to indicate that is not the case, but whatever the reasons may be, in view of the fact that the government went to the Canada Grain Council for advice on the LIFT program, all the producers in the west, and in the east too for that matter, will be very reluctant to accept a check-off system.

Although this bill is long overdue and it has many aspects of which I approve, nevertheless I am surprised that the LIFT program should have been introduced at this stage. I suggest we should have examined the merits of other courses of action. The task force on agriculture made the suggestion that we wait ten years before cutting down on total acreage. Yet the government thinks this can be done overnight and makes no provision for a period of adjustment.

The introduction of a measure to bring the Canada Grain Act up to date will probably be better received by the western farmers than was operation LIFT, and there are several reasons for this. First of all, the farmers are conditioned for the measure. They know the merits of it, they have discussed it and, as the minister indicated, they have asked him for it. Secondly, and perhaps a more valid reason, more farmers feel they will gain advantage from the changes in the Canada Grain Act. The LIFT program was a sort of negative program, whereas this is a positive piece of legislation. However, even though it is positive its passage will create many difficulties. The people who feel they will benefit from it most are the farmers within what is called the Palliser triangle. That, of course, does not include all grain farmers. The Palliser triangle includes only two-thirds of the western farmers. This will exclude one-third of the people from what they consider to be the benefits of the provisions under which protein grading will become a more important factor. Let us not look for miracles because of protein grading.

• (9:10 p.m.)

We are trying to regain ground we have lost—and the loss has been tremendous. During the last war we held about 40 per cent of world wheat markets. We have dropped to holding about 18 per cent of those markets,

and that is a tremendous loss. So we really are trying to regain this lost ground. The U.S.S.R., Australia and the United States have been guaranteeing their cargoes for many years, and the United States has had protein grading since 1958. That is not to say that we should have adopted protein grading in 1958. From 1958 to the present we have enjoyed large sales. Back in 1962 we sold no wheat to Russia, and the next year we sold them 234 million bushels. Two years later the sale was repeated to the extent of 202 million bushels. These sales were effected at a time when we did not have protein grading.

The point I want to make is that great emphasis has been placed on the protein factor and a lot of people have tended to use the lack of this system as an excuse for our loss of sales. Let me immediately bring the House back to reality by pointing out to the minister and anyone else who cares to listen that we will not immediately find ourselves flooded with requests for our wheat: world wheat markets will not suddenly beat a path to our door to buy our wheat.

We must remember that other factors are involved and play a part in world markets. Having once lost a market, it is very difficult to regain it. There is in Regina a group which has just been organized. This group is a lobby of southern growers which calls itself the Palliser Triangle Wheat Growers' Association. The article to which I refer indicates that about 65,000 farmers will stand to benefit. That is only about one-third of the farmers, because there are approximately 190,000 altogether. These figures may not be completely accurate, but if you relate the percentage to the higher protein level they may be close to being accurate. These people feel they have a tremendous amount to gain by this switch in grading, perhaps to the extent of 30 cents or 40 cents a bushel. That seems to be the impression.

There is no mention of the protein factor in most of the quotations I have seen. There is mention of price. But I understand that only during final negotiations does the protein factor enter into it. While it is important to some customers, it is determined only after there has been negotiated what is considered to be a reasonable price. I point out that we will not immediately be flooded with requests for our wheat and that this change will not perform the miracles we so badly need.

Some of the other figures I have been able to obtain would indicate that two-thirds of the farmers are located in what is considered to be the Palliser triangle and that this excludes the northern and outer perimeters of that area. All our research up to the present has been directed toward this high protein grain area. This may have been desirable when we were selling under the old system, but the government must have been aware of this intended legislation. The government was aware of this grading several years ago, because it was mentioned then.

The government should have made a great research effort several years ago in respect of what is considered to be feed wheat. Research in this respect has been sadly lacking. This one piece of legislation has come forward and there has been a total absence of research in respect of other factors which may make this system work. The federal task force on agriculture had this to say:

> The highest protein-content wheat is produced in the Palliser triangle ... thus, if land is to be withdrawn from high quality wheat and used for feed grains, oil seed, and high yielding grains, it may be desirable that this occur in areas other than the Palliser triangle.

This brings us back to the fact that there will be an area wherein this legislation will not have a direct effect. We are told the world wants high protein wheat, yet the LIFT program indicates that we should not grow that kind of wheat. Rather than pouring $100 million into that, area we should allow the farmers there to continue growing high protein wheat, because of the government's opinion that this is the kind we can sell. We should use the $100 million for a crash program to work out solutions to problems facing the other one-third of the people affected. We have had little research in this field.

The Economic Council of Canada has pointed out that in terms of yield technology Canada has most substantially lagged behind the United States. Canada has achieved a rate of growth of labour productivity and agriculture well above that recorded in other sectors of the economy, and I will roughly compare comparable dimensions to the rate of growth of agricultural labour productivity in the United States. In contrast, Canada has advanced in the area of mechanization but not kept pace in yield technology. This is part of our problem. I am concerned about the other one-third of the farmers. Part of the study conducted by the council suggests for emphasis:

> In 1965, for example, the yield of corn in the United States was 68 bushels per acre; this compares to a yield of 22 bushels per acre of wheat in Canada. On the basis of post-war trends, per corn

yields in the United States have been increasing at an annual rate of about 2.0 bushels per acre, whereas wheat yields in Canada have been increasing at a rate of only 0.2 bushels per acre.

This represents exactly the type of competition we will be facing in those areas which will not immediately receive the benefits of this program. At the present time the Agricultural Committee is studying the very serious problem which exists in respect of depressed prices of feed grains. We find that barley prices are depressed. I have a quotation from the Regina *Leader Post* of April 11 in respect of a James Richardson and Sons newsletter. It reads:

• (9:20 p.m.)

The Commodity Credit Corporation in the U.S., as expected, accepted bids from exporters of around 57 cents a bushel f.o.b. Duluth-Superior for a little better than 5 million bushels of barley.

With a price of 50 cents a bushel it will be very difficult for these people to realize the effect of these changes. To some extent there is a glut in respect of barley and oats. Something like 3 per cent of our export trade is in feed grains. I have a clipping here from the Edmonton *Journal* of February 3 under the heading "Barley future 'uncertain' ". In other words, in addition to the uncertainties and the problem we are studying before the Agricultural Committee today, we are also involved in the problem of feed wheat or any other grain that it may be necessary to grow in this particular area. I believe this situation will be very difficult for many farmers to understand until a government program is devised to provide for their needs.

It will surely appear to these farmers that the reduction the government desires will affect them mainly. There can be some manipulation as a result of bookwork. For example, if we take out the area known as the Palliser triangle, it is interesting to note that if the 13.5 per cent protein rule were applied, Canada's wheat acreage would have been cut from 25 million acres to 18 million acres in 1968. This 73 per cent of the 1968 acreage would have produced 373 million bushels of wheat or 70 per cent of the 1968 total of 533 million bushels.

So with this type of arrangement the government could conceivably some day make the statement that it had solved the bread-wheat problem. But what really is the situation? Another problem has been created in the process because until now not enough attention has been focussed on this situation. Special consideration, once this legislation has been implemented, must be given to the people who will be excluded. It will be difficult for some people to understand how anyone in that area can compete with people in tropical areas where there is plenty of rain and sunshine, and be expected to produce yields when there is no research in respect of our weather conditions. In some tropical areas several crops can be grown in one year, while we are limited to a season.

For the benefit of those who may be interested in what is known as the Pallister triangle, I should like to explain the situation. It is bounded by a line running almost straight north from the U.S. border to just north of Edmonton, and then roughly it follows the main line of Canadian National Railways through Saskatchewan and into western Manitoba. From there it drops sharply to the U.S. border again. All areas outside the line—the Alberta foothills, the Peace River Valley, the Saskatchewan parklands and most of Manitoba—averaged less than 13.5 per cent during the 40 years in the period in which the study was conducted. Manitoba will be particularly hit; only about 30 per cent of its wheat will be particularly hit; only about 30 per cent of its wheat will be in the protein area.

One can see the effect this legislation will have on Manitoba. The bill contains no provisions for adjustment. There is no provision in respect of the types of feed grain, and so on. There is no provision for a storage payment to farmers to provide some income during the period in which the grain is held until called forward by the board. Naturally, there will be a holdback by the board; the grain will have to be held for a certain time for blending purposes.

There is no provision in the bill in respect of the complex storage facilities which will be necessary for the blending of protein grades, and so on. I can visualize a situation at the terminals where 14 per cent protein grain can be obtained by combining 1,000 bushels of 15 per cent protein grain and 1,000 bushels of 13 per cent protein grain. In fact, I suppose, this is one way of doing it. I can imagine the amount of bin space that will be required. There is no provision in this regard. It will be necessary to reconstruct the whole elevator system if we are to provide storage at elevators. The government will have to come up with a system to haul grain to the inland terminals or provide terminals somewhere else. I suggest the adjustment should be made wherever it will be most helpful. Research

might be considered to be a large factor. We are away behind in this regard. There should be some sort of crash program.

This bill will provide the government with extreme powers. There may be a necessity to provide criteria in respect of the changes to be made. The bill will give absolute power to the minister rather than to the grain commissioners. Perhaps this situation should be considered. I think somewhere along the line, if it is found that changes in respect of the Canada Grain Act would be mutually beneficial we should trust each other in this regard and not place absolute control in the minister. If the advice given was rejected by the minister, the onus would be on him to give an explanation. In addition to the men just running around checking on the elevators, and so on, I think on the basis of their experience they could furnish valuable information to the minister.

I know there are other points which could be raised at this time. I certainly wish to see the bill reach the committee as quickly as possible. If the Agricultural Committee should decide that certain areas should be visited, I believe either the committee or a subcommittee should look into the question in order to see what adjustments can be made as quickly as possible and bring this matter to a head immediately.

On the basis of the evidence that can be obtained, I hope this bill will receive as speedy a passage as possible. But I also hope the government and the minister will heed the advice I have tried to give at this time, especially in respect of the thousands of farmers who will find themselves in an even more difficult position than the one they are in now.

• (9:30 p.m.)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, we have waited some time for the announcement which the minister has made to the House tonight, and some of the things which he said, such as that this bill is a key instrument in the marketing of our grains, are, of course, quite true. The efficiency of our marketing system depends to a very considerable extent on how well we grade our grain and how well it is prepared for market.

One is somewhat shocked when one sits in committee and asks one of the experts what is the difficulty in getting barley to a particular market and the expert replies it has too much wild oats in it. Of course, any really adept farmer will get the wild oats out of the barley, so this is not a problem. In an instance like this the problem is to make sure that the regulations are such that a second-rate type of product is not offered on the market.

The minister said we should be able to change quickly and that we have to meet the needs of advancing technology. One cannot substantially quarrel with this point of view regarding flexibility, and so on. But what we really need to consider is what are the priorities which we are seeking to establish in this act, and what are the aims? The following is stated in the act at page 12:

> Subject to this act and any directions to the commission issued from time to time under this act by the Governor in Council or the minister, the commission shall establish and maintain standards of quality for Canadian grain and regulate and supervise grain handling in Canada, to ensure an efficient grain handling system and maximum acceptance of Canadian grain as a commodity of dependable quality in domestic and export markets.

This sets the case for the need for this act as succinctly and as carefully as it could be said. The part about the act about which I would be concerned is its reliance on Order in Council to change the grades, to establish procedures, to control whole mechanisms of the act. Repeatedly in this act reference is made to Order in Council. The minister spoke of protein grading, quite properly so; but this act as drafted does not provide for protein grading. It is left open.

Mr. Olson: It provides the authority.

Mr. Gleave: That is true. If you go back in the act to where the specifications of the grades are set up, you will see that certainly we have done away with one of the top grades. I would judge by this that the milling grades will be the top three grades. This is some change from what we had before, but essentially as the grades are specified within this act and as they are set out it is the sight and weight grading procedure which we use now. By Order in Council this year, next year or the succeeding year these grades can be changed to include any factor that the minister or the cabinet may decide it is advisable to include under the act. This is a pretty substantial change.

The Canada Grain Act has a long and honourable history. At times in the past it has been described as the Magna Carta of the western farmer because it enshrined certain procedures on the basis of which the farmer could claim his rights. Those procedures were established by Parliament and they could

only be taken away by Parliament. We recognize the minister's plea for flexibility, but I think he has carried it too far in this act.

It is said in the act that we shall have certain commissioners, who may appoint certain assistant commissioners. Do we need them, or do we not? If they are essential, the bill should read that certain assistant commissioners shall be appointed. If we do not need them, why should this be mentioned in the act? Was it not possible for those who drafted the act to make up their minds whether or not they needed assistant commissioners?

The act does not cover new ground. We are not dealing with a subject which is unknown. This act, or rather its predecessor which this bill replaces, has been in effect for a long time. We know how many elevators have to be supervised. Therefore, we should know how many people it takes to supervise them. We should know whether it is advisable to supervise them with the aid of assistant commissioners or with other staff. As I read the act, it will change the character of our method of handling grain so that we may mix grades under the supervision of the commissioner. This was not permitted under the old act. I suggest that considerable pressure will be put on the commissioners once this act comes into effect to permit mixing within the terms of the act.

All those who are experienced in grain handling know that under these circumstances the tendency is to mix down to the minimum of the grade, which does not always work in the interests of what is desirable for the quality of Canadian wheat. I question whether this power needs to be in the hands of the commissioner. Again, if I read the act correctly, it is proposed that wherever excessive overages occur, they can come back to the Canadian Wheat Board or the Board of Grain Commissioners. This, of course, is a protection, and as far as that goes it is overdue. In the country elevator system we permit the elevator companies to keep whatever they might make. Under these changes it is proposed that if the terminal elevators make something in excess, we will take it away from them. That may be some protection, but I am still somewhat leary of the proposal that permits mixing in terminal elevators.

• (9:40 p.m.)

The bill also makes substantial changes in regard to the right of the individual to order cars. It does away with the car order book because it has been said that this will no longer work with the block system. But where does it leave the ordinary farmer with regard to getting cars? Again, as I read the bill, in the final analysis he must go to the Board of Grain Commissioners if he wants a car.

The minister should concern himself with this factor. I had a carload of flax that sat in the elevator for over a month while I ordered a car to ship it, and if I had not let it sit I would have lost the value of the screenings that were in the flax. So I held it until eventually I could get a car. In the meantime, the price was going up and down and I was paying storage on the flax. When I said to the elevator agent, "Look, I want a car to haul my flax," he replied, "All I can do is phone Edmonton. They tell me what I am going to get as far as cars are concerned and I cannot argue back. It is a one-way line, and until they decide to send me down a car, your flax will have to sit in the elevator." I must say that I did not attempt to make any extra effort to do something about it, but the farmer's right to get a car and to move his product to the market when and as he wants should be protected in this bill. I doubt that his right is protected in it at present.

Under the old Canada Grains Act we had that right with the car order book. It may not have been protected under present conditions with the block system, and so on, and it may be that the car order book could not effectively protect the farmer's right, but I do not think his right is protected in the short references that are made to it in this bill. This is important because he is the lone individual in a very highly organized grain handling system, and if Parliament does not protect his rights you may be very sure he will sing a long time to the Board of Grain Commissioners or to the elevator companies to get his rights protected. This is one matter to which very careful consideration should be given, and I hope the government will look at it. The new provisions appear to provide for adequate inspection. Of course, we will have a chance to go into this in some depth when the bill is examined by the Standing Committee on Agriculture.

Again, Mr. Speaker, I say there is an excess of Order in Council in this bill, and we are not writing enough provisions for the protection of the farmer. We are not writing enough provisions so that the rights of the farmer will stand clear and without question and so that it will be stipulated which grades will remain and which will be standard under the legislation.

I imagine that if I were responsible for operating a grain company I would probably be rather uneasy if I felt that the government, by Order in Council, could change the requirements of grades for the grain that was sitting in the elevator system. That is a pretty heavy stick to hold, covering flax, rapeseed and barley. I think that those regulations and standards should be known.

I do not understand why the Board of Grain Commissioners and the government, with the experience and the knowledge they have, cannot at this time make definite recommendations to the House as to the protein standards that should be used, and why such recommendations cannot be put before the House rather than the suggestion by the minister that in due course, if advisable, when it is thought right, when the time has come, we may use protein grading. It should be ensconced in this bill if it is going to be a part of the grading system, and it should be part of the grading system. Everybody agrees with this.

Mr. Olson: It will be.

Mr. Gleave: If you were in England, as I was last week, and talked to people on both the purchasing side and the selling side, you could come to only one conclusion, that we should not be thinking just of protein grading today but we should have been thinking of it yesterday, or a year or two ago. It is difficult for me to understand why it is not in the bill and why this Parliament cannot consider it, pass on it and judge the effect it will have on the ordinary farmer.

I have not got too much confidence in Orders in Council over this whole scope of activity. The minister may smile, but when I see a government go out, as this one has, and propose the things it has proposed to the farmers of Saskatchewan, Alberta and Manitoba within the last month, I think it would have been a lot better if it had been obliged to come to Parliament and put an act through this House. If so, it would not be making the blunders that it will have to live with in the very near future and with which unfortunately the farmers will also have to live. By bringing these matters before the House for full discussion, protection could be provided for the farmers. That, to a large extent, takes care of the points which I wanted to make in regard to this bill.

There is too much Order in Council and not enough real protection for the producer, and the two are not mutually exclusive. We had both under the old act. For example, as this bill now reads, if a farmer has grain of a certain grade and quality, is the elevator company at the point at which he has his quota obliged to take that grain, or not? The act is not clear in this regard. It says that the commissioners may decide whether that elevator has to take his grain. But the commissioners are in Winnipeg, and he is on an elevator ramp somewhere out in the country.

• (9:50 p.m.)

These were the rights under the old act, and I think they are not now stated clearly enough so that the farmer's rights are protected. If this is so, of course it will also affect the elevator companies. While they would like to take as much leeway as they can, I still think they would prefer to operate under an act wherein the rules of the game are clearly set down, rather than under an act where they know the rules can be changed.

In regard to a check-off on grain, I am prepared to discuss such a matter when the government chooses to bring it in and when they put concrete proposals before this House or the Standing Committee on Agriculture. The same would apply to protein grading. I do not know how we can discuss this matter when there is no provision in the act for any such thing.

Mr. Olson: You could make a concrete proposal.

Mr. Gleave: I could, but I do not know why I should, Mr. Speaker. In the offices of the Board of Grain Commissioners are charts which have been prepared for a good many years showing the protein pattern all across that Prairie region—

Mr. Olson: I mean with a check-off.

Mr. Gleave: —so why should I batter my brains out to try and put it before this House when the minister has all that high-priced help and could have had it here this evening? I am ready to discuss protein grading when the minister brings it in to this House. I hope when that occurs that the minister or some of his aides will have something concrete to offer on the subject. I hope they will be prepared to say that this or that proposal could go into the act, and not leave us to do it all on our own.

There is one other matter which might be worth mentioning in conclusion, Mr. Speaker, and this concerns the new

varieties. I wonder if this act gives enough leeway for the handling of new varieties. I notice it follows the same pattern as the old act, that any new proposed variety will be dealt with by the Western Grain Standards Committee and the Board of Grain Commissioners. This was a very good system, but I wonder if we would not have been well advised to provide further assistance for testing and working on new varieties in terms of money, personnel, and so on. Other than grading, this is one more area which I think could come under the responsibility of the act. We should consider providing assistance for the development of new varieties, getting them tested and into the hands of farmers a little faster.

The record of the Board of Grain Commissioners in regard to protecting the quality of Canadian grains, not only wheat but others as well, has been very good and I would hope that the body which emerges under this act will be as responsible and efficient. This has always been regarded as of prime importance in our grain business and merits a little more attention in terms of money, time and personnel.

Aside from the points I have raised, Mr. Speaker, I am very happy that the minister has brought an act before us that we can consider and work with. I hope that when we get it into the committee the minister will see fit to make changes along some of the lines suggested.

Mr. Peters: Ten o'clock.

Mr. Speaker: Is the House ready for the question? The hon. member for Timiskaming (Mr. Peters).

Mr. Peters: May I call it ten o'clock, Mr. Speaker?

Mr. Speaker: Is it the wish of the House that the Chair now call it ten o'clock?

Some hon. Members: Agreed.

At 9.57 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, April 14, 1970

The House met at 2 p.m.

PRIVILEGE

MR. CROUSE—MINISTERS' OFFICES IN CONSTITUENCIES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I rise on a question of privilege which affects the rights and privileges of every member of this House, and I raise this matter at the earliest possible moment. My question of privilege relates to a return tabled in the Commons yesterday for the Conservative member for Cumberland-Colchester North (Mr. Coates).

The information given in the Commons return states that 11 of 13 ministers have offices in federal buildings but the Prime Minister (Mr. Trudeau) rents an office at $7,360 a year in his Montreal Mount Royal riding, and the Secretary of State (Mr. Pelletier) rents an office in Montreal Maisonneuve at $1,675 a year. The President of the Privy Council (Mr. Macdonald) and the Minister without Portfolio (Mr. Andras) pay their one-man staffs in their ridings, Toronto Rosedale and Port Arthur respectively, up to $10,000 annually out of the public treasury. The Minister of Agriculture (Mr. Olson) is the only minister with a two-member staff in his riding, Medicine Hat. Each is paid up to $5,000 annually.

The Prime Minister's and the Secretary of State's constituency staffers each receive $7,500 annually at the maximum. Other ministers with constituency offices and the maximum publicly paid salaries for their staffers are as follows: The Minister of Finance (Mr. Benson), Kingston, $7,500; the Minister of Energy, Mines and Resources (Mr. Greene), Niagara Falls, $7,500; the Minister of National Revenue (Mr. Côté), Longueuil, $7,500; the Minister of Labour (Mr. Mackasey), Verdun, $7,500; the Minister of Consumer and Corporate Affairs (Mr. Basford), Vancouver Centre, $5,000; the Minister of Industry, Trade and Commerce (Mr. Pepin), Drummondville, $5,000; the Minister of Communications (Mr. Kierans), Montreal Duvernay, $7,500; and the Minister of Manpower and Immigration (Mr. MacEachen), the only Nova Scotian, no publicly paid staff.

An hon. Member: There is the economy drive.

Mr. Crouse: Mr. Speaker, in view of the economy drive and in view of these facts as tabled in the Commons I therefore move:

That the Standing Committee on Privileges and Elections consider whether members of the Queen's Privy Council for Canada holding offices as Ministers of the Crown have violated the provisions of the Senate and House of Commons Act respecting the independence of Parliament by accepting allowances and profits out of public moneys to purposes not authorized by vote of this House.

Some hon. Members: Hear, hear.

Mr. Speaker: The hon. member has given the Chair the notice required under the Standing Order, which has given me the opportunity to give some thought to the point raised by the hon. member. As he and other hon. members know, this is not the first time this kind of situation has been brought to the attention of the House. It has been considered by Speakers before me.

The question that has to be decided at the present time is not whether there is a grievance, whether there should be a debate on this matter or whether it should be considered by the House or by a committee at some time, but whether there is a question of privilege. I had the opportunity yesterday of considering in some detail what was the nature of parliamentary privilege. I indicated what I felt was meant by parliamentary privilege and breach of parliamentary privilege.

• (2:10 p.m.)

I doubt very much that the privileges of any individual member are affected in the circumstances outlined by the hon. member. I have little hesitation in reaching the conclusion there is no question of privilege which should be studied by the Committee on Privileges and Elections.

The hon. member suggests in his statement or proposed motion that there has been a contravention of the Senate and House of Commons Act. Whether this is correct or not, to my way of thinking this is a point of law rather than a question of privilege. If the hon. member questions the propriety or impropriety of a minister's action, this again, as I pointed out yesterday, can be brought to the attention of the House or discussed by the

House or by a committee of the House only as the result of a substantive motion and cannot be done by way of a motion to refer a question of privilege to the Standing Committee on Privileges and Elections. With this in mind the motion of the hon. member will not be put to the House.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

Sixth report of Standing Committee on External Affairs and National Defence—Mr. Wahn.

REGIONAL DEVELOPMENT

Second report of Standing Committee on Regional Development—Mr. Morison.

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

[*Translation*]

FINANCE

TABLING OF REPORT ON OUTLOOK FOR PRIVATE AND PUBLIC INVESTMENT IN CANADA

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, in accordance with Standing Order 41 (2), I should like to table in French and in English a report on private and public investment in Canada, outlook for 1970.

[*English*]

POST OFFICE

MONTREAL POSTAL DISPUTE—TABLING OF DOCUMENTS SUBMITTED TO SPECIAL COMMISSIONER

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, last week the hon. member for York South (Mr. Lewis) requested the tabling by the government of the documents examined by the special commissioner appointed to look into the trucking contracts for the postal service in Montreal. I have communicated to Mr. Goldenberg the nature of this request and he has forwarded to me all those documents submitted to him which were given to him on other than a confidential basis. I should like to table these.

[Mr. Speaker.]

MAIN ESTIMATES 1970-71

RESCINDING OF PREVIOUS ORDER RESPECTING CERTAIN VOTES AND REFERENCE TO COMMITTEE IN MISCELLANEOUS ESTIMATES

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, there have been discussions both in the Standing Committee on Finance, Trade and Economic Affairs and among representatives of the parties with regard to the work of that particular committee. I think it has been found there is general agreement that the estimates which on February 18 were referred to that committee might better be dealt with by the Standing Committee on Miscellaneous Estimates. Therefore, if the House is in agreement, perhaps the following could be made an order of the House:

That the provisions of the Order of the House made February 18, 1970, in relation to the reference of estimates to the Standing Committee on Finance, Trade and Economic Affairs, be rescinded and that the said estimates namely;

Votes 1, 5 and 10 relating to the Department of Finance;

Votes 1, 5, L10, L15, 20 and 25 relating to the Department of Industry, Trade and Commerce;

Votes 1 and 5 relating to the Department of National Revenue;

Vote 10 relating to the Tax Appeal Board;

Vote 25 relating to the Economic Council of Canada;

Vote 25 relating to the Tariff Board;

be referred to the Standing Committee on Miscellaneous Estimates.

As I say, if that is found to be generally agreeable, perhaps it could be made an order of the House.

Mr. G. W. Baldwin (Peace River): That is quite correct, Mr. Speaker. That is agreed. It was felt by the committee, since there would be so many thousands of valid objections to the white paper on taxation which would take up the time of the committee, that the time could be better served in that way.

Mr. Speaker: The House has heard the motion. Is it agreed?

Some hon. Members: Agreed.

Motion agreed to.

MOTION TO ADJOURN UNDER S.O. 26

POST OFFICE

MONTREAL POSTAL DISPUTE

Mr. David Lewis (York South): Mr. Speaker, I ask leave to move the adjournment of the

House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the new situation created by the final breakdown of negotiations between the government and the Montreal postal mail truck drivers and the announcement of the government to hire a new staff tomorrow to replace the present employees, which will bring great hardship to them and may lead to a complete disruption of mail services with its consequent serious effect on the entire population of Montreal.

Mr. Speaker: Hon. members who have heard the proposed motion will agree, I am sure, that this motion is deserving of the most serious and careful consideration. The substantive aspects of the matter which is suggested for discussion later today under Standing Order 26 cannot be overlooked and their importance cannot be minimized.

At the same time, the decision which the Chair has to make in such circumstances is essentially a procedural one, taking into account the limitations prescribed by the Standing Order.

Some weeks ago the hon. member for Peace River proposed the adjournment of the House under Standing Order 26 for the purpose of discussing the postal situation in Montreal. This motion was granted and a debate ensued. Then on April 6 the hon. member for Nanaimo-Cowichan-The Islands asked leave to move the adjournment of the House to discuss the Montreal postal situation and, to quote the hon. member, "the need for Parliament to consider alternative courses of action". This motion was denied, having regard to subsection (d) of section 16 of Standing Order 26 which reads as follows:

(d) the motion must not revive discussion on a matter which has been discussed in the same session pursuant to the provisions of this Standing Order;

Thus, the Standing Order prescribes that there can be only one emergency debate about a given situation during a session of Parliament. On this basis, the proposed motion had to be refused. The ruling of the Chair did indicate that there may be a point in the course of a developing situation where new aspects, new factors or new facts would justify a second debate in the sense that the House would then be dealing with a new situation.

The question to be resolved in this respect is: when does a continuing emergency become a new emergency so that a debate would not in effect revive discussion on a matter which has already been discussed in a previous emergency debate? The answer is not entirely clear to me in the light of the circumstances as they exist today.

Without reaching a conclusion on this aspect of Standing Order 26, I remind hon. members of the other difficulty provided by the Standing Order. The rule enjoins the Speaker to consider whether the matter can be brought before the House within a reasonable time by other means. Since it has been agreed that there will be a continuation of the budget debate tomorrow, I cannot ignore the fact that this will automatically provide an opportunity for debate within 24 hours. I do not see how the Chair can overlook this aspect of the relevant Standing Order. Therefore, taking into account mainly the fact that there is an opportunity for debate as early as tomorrow, I must conclude that the motion should not be put today. At the same time, I can assure hon. members that I will not feel so strictly bound by subsection (d) of section 16 of Standing Order 26 that an emergency debate on the situation might not be possible later.

Mr. Lewis: May I rise on a point of order, Mr. Speaker. I hope Your Honour will forgive my presumption, but may I ask Your Honour whether you took into account the fact that the situation with respect to the truck drivers in Montreal is that by midnight tonight the present situation will end and new employees will be hired. Therefore a debate tomorrow might not serve the purpose that a debate at eight o'clock this evening might.

• (2:20 p.m.)

Mr. Speaker: Of course the hon. member has to assume that the Chair has taken into account all circumstances. As he will realize, and as all other hon. members will realize, this was not an easy decision to reach. I felt, all things considered, that perhaps there should not be an emergency debate today. I thought that the procedural difficulties under the terms of Standing Order 26, for today at least, were insuperable and that the Chair should not be placed in the position where these two very serious roadblocks could be ignored in the present circumstances. I realize how touchy the whole situation is and I am hopeful that a decision that there should not be an emergency debate today will not adversely affect the development of the situation in Montreal.

Inquiries of the Ministry

Mr. Drury: Mr. Speaker, on a point of order, I might correct an assumption made by the hon. member for York South. The deadline of which he speaks does not expire tonight but tomorrow night, Wednesday night.

ORAL QUESTION PERIOD

FINANCE

BANK OF CANADA INITIATIVE TO LOWER INTEREST RATES IN VIEW OF UNEMPLOYMENT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As it has now become clear that unemployment has become the No. 1 problem facing the economy, and as high interest rates are slowing down the economic activity that provides employment, is the government giving consideration to having the Bank of Canada give the lead in a gradual lowering of interest rates so that economic activity and employment may increase at the fastest possible pace?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Hees: Mr. Speaker, as it is well recognized that the lowering of interest rates would stimulate the economy and increase employment, will the government give consideration to this important step so that unemployment may cease to rise at the present alarming rate?

Mr. Trudeau: Yes, Mr. Speaker, as soon as we have an undertaking from the hon. member that he believes inflation is licked.

Mr. Hees: That I what?

POST OFFICE

MONTREAL POSTAL DISPUTE—TERMS OF GOVERNMENT PROPOSAL TO LAPALME EMPLOYEES

Mr. David Lewis (York South): Mr. Speaker, may I ask a question of the President of the Treasury Board. In view of the fact that he has not seen fit to make a statement to the House about the negotiations which he has had with the truck drivers in Montreal, may I ask him whether it is still the government position that the seniority of the men to be hired is to be retained for a period of three months, or whether there has been any change in that position? I understood it would be retained for a period of three months in the postal unions in the Public Service and that after that there would be a rearrangement of seniority. Will the minister explain the present situation?

[Mr. Speaker.]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as the hon. member has suggested, the present proposal is that for a period of three months there will be a special seniority arrangement for the incoming drivers of G. Lapalme, and this has been offered with the consent of the Council of Postal Unions. At the end of the three month period the seniority list of drivers in the Public Service now and up to that date and of the one-time drivers of Lapalme will be integrated into a single list.

Mr. Lewis: A supplementary question, Mr. Speaker. First, does that mean that the Lapalme drivers would be dropped to the bottom of the list as having only three months seniority as against the service of other men?

Second, when the government discussed this with the Council of Postal Unions was it taking upon itself a decision as to the bargaining unit and the representation which these drivers were going to have if they joined the scheme that the government has now proposed, and was it the government's business to decide what union they might later on be members of and what bargaining unit they should belong to?

Mr. Speaker: Order, please.

Mr. Drury: Mr. Speaker, it was not the government's business to decide what union they might later be members of nor did the government intend to endeavour to force these or any other drivers into a particular union of its choice. The law is quite clear on this point and the choice is a free one made by the employees themselves. The government has not and will not endeavour to exercise any right to affect that choice or to make it for them. I have said that this offer of a special arrangement for three months' seniority was done with the consent of the Postal Workers Union. This would cover the period at least following entry into the Public Service, with the consent of the union to which they would belong.

Mr. Lewis: A further supplementary question, Mr. Speaker. There was another statement in the news release issued by the minis-

ter on April 7, which is the document on which I am basing my questions, that the wage of these employees if they agreed to join the public service would be $3.25. I should like to ask the minister whether that $3.25 was to be a permanent wage or a temporary wage until settlement between the postal unions and the government? Assuming that the Public Service Staff Relations Board integrated these drivers with the appropriate section of the postal unions, was the $3.25 to be a temporary wage which might later be reduced or red-circled or what exactly was it to be?

Mr. Drury: Mr. Speaker, I think it was made fairly clear in the document on the question that the rate of $3.25 was to obtain from the time of entry until such time as a new agreement between the Council of Postal Unions and the government was signed. From that date all the members of the Council of Postal Unions and the workers of Lapalme in whatever unit they might be would be governed by that new rate.

Mr. Lewis: If the rate was reduced in negotiations these drivers would have to accept—

Mr. Macdonald (Rosedale): David!

Mr. Lewis: Mr. Speaker, there are negotiations going on. Don't say, "David", Don. I know as much about it as you do. In view of the fact that negotiations are going on and the matter is before a conciliation board and that the Treasury Board offer was $3.16, not $3.25, does that mean that if the settlement for the rest of the workers should be below $3.25 these men are to look forward to a reduction in their pay?

Mr. Drury: Mr. Speaker, I suggest that perhaps negotiations are going on here as well as elsewhere, but the question is really hypothetical. I say that whatever rate is agreed upon between the Council of Postal Unions and the Treasury Board will be the rate at which, from the date of signature, all the drivers in the Post Office will be paid.

MONTREAL POSTAL DISPUTE—COST OF NEW DELIVERY SYSTEM

Mr. Heath Macquarrie (Hillsborough): Considering that much of this trouble started with an ill-starred effort at economy, was the last offer which the minister made to the workers such as to be similar to the total cost of the operation under the contractual system?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I am not quite sure that I understood the question. If the hon. gentleman would rephrase it, I shall try to answer.

Mr. Macquarrie: I shall do my best, Mr. Speaker. I am wondering if at the stage of the minister's latest offer, which he called a generous one, the total cost to the government and the department for operating the service was less than the contractual system which was being abolished under the Postmaster General's reform?

Mr. Drury: Mr. Speaker, I think I can say without equivocation that the total cost of the terms and conditions offered will provide a better postal service for Montreal than was had at a higher cost in the past.

MONTREAL POSTAL DISPUTE—LEGALITY OF GOVERNMENT PROPOSAL TO LAPALME EMPLOYEES

Mr. J. P. Nowlan (Annapolis Valley): In view of the procedures followed in hiring Public Service employees, may I ask the President of the Treasury Board if the offer to the employees of Lapalme has followed Public Service procedures? If not, has he had an opinion from the law officers of the Crown—without telling me what that opinion is—to the effect that he is proceeding properly?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I have been advised by our legal advisers that we are proceeding entirely legally.

[*Translation*]

TRADE

WHEAT—POSSIBLE SALE TO PAKISTAN

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce.

Is the minister aware that Pakistan is seeking to purchase 30 to 40 million bushels of wheat and could he tell the House whether he intends to contact the Pakistani government with a view to negotiating a contract for the sale of wheat, if possible?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I repeat that in such a case it is quite exceptional for the Canadian Wheat Board not to be aware of such important offers. However, I shall

inquire and make sure the Board knows about the situation referred to by the hon. member.

[*English*]

NATIONAL DEFENCE

UTILIZATION OF CF-5 AIRCRAFT

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I have a question for the Minister of National Defence. Has a decision now been arrived at as to the use which the 115 CF-5 aircraft ordered by the department will be put to in view of the fact that a number of these aircraft have now been delivered to the department?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, we are now using whatever aircraft have been delivered—perhaps 35 or 36. We have formed a conversion unit at Cold Lake and we are also forming a squadron at Bagotville. At the present time all the airplanes which have been delivered are being used.

Mr. Harkness: A supplementary question, Mr. Speaker. Does this mean that these aircraft are essentially being used for training purposes only and that no decision has been made as to what their actual use will be?

Mr. Cadieux (Labelle): Mr. Speaker, there are two types of aircraft. Some of them are trainers with twin seats; others are single-seaters. The double-seaters, of course, are used for the primary purpose for which they were built, training. The others form part of an active squadron. Fortunately we do not have to use it for the purpose for which it is meant.

AVAILABILITY OF NAVAL LIMITS TO ASSIST ASTRONAUTS IN CASE OF EMERGENCY

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of National Defence. Has Canada any naval units at sea in the North Atlantic or available for duty at sea? Also, have such units been offered to the United States government in case an emergency forces a landing of the astronauts in the North Atlantic area on Friday?

Hon. Léo Cadieux (Minister of National Defence): Not to my knowledge, Mr. Speaker, but I will inquire.

Mr. Nesbitt: A supplementary question, Mr. Speaker. If units are available, would the minister offer them to the United States government in the event that they should be needed?

Mr. Cadieux (Labelle): Mr. Speaker, I believe that naturally we should respond to such a request.

An hon. Member: Put the *Bonaventure* to sea.

AIR TRANSPORT

ROUTES GRANTED TO TRANSAIR—REQUEST FOR DELAY IN IMPLEMENTATION OF DECISION—PUBLIC HEARINGS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on March 18 I directed a question to the Minister of Transport which he took as notice, as reported at page 5179 of *Hansard*. My question had to do with the fact that the Canadian Transport Commission had granted to TransAir Limited the right to travel from Winnipeg to Toronto via Thunder Bay and Sault Ste. Marie. The question I asked the minister was whether, since no public hearings had been held and in view of the personalities involved, the government would bring pressure to bear on the chairman of the Canadian Transport Commission to call public hearings and, if not, whether the government would be prepared to institute an investigation to see whether patronage and favouritism had taken place in the granting of these air routes?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have now received three appeals in connection with this particular granting which have been filed in appropriate order, and I am in the process of considering them now. The answers to the hon. member's questions, those that are relevant to the decision, will be included when that decision comes forward.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since the Minister of Transport of Ontario, Mr. Irwin Haskett, has said publicly that the government of Ontario is asking the government of Canada to reverse the decision of the Canadian Transport Commission pending public hearings, does the government intend to accede to this reasonable request?

Mr. Jamieson: Mr. Speaker, one of the appeals to which I referred is from the government of Ontario and it is to the Minister of Transport. I am in the process of considering it now.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Can I ask the minister when he expects to make a decision and whether he will announce that decision to the House?

Mr. Jamieson: Mr. Speaker, I am afraid I cannot indicate with any precision when the decision will be made, other than to say as soon as possible. It has not been the practice to make such announcements in the House but I certainly have no objection to doing it that way, or to tabling the decision in any event.

TRENTON, N.S.—DISCONTINUANCE OF SERVICE BY EASTERN PROVINCIAL AIRWAYS

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I ask the Minister of Transport why it is, in view of his statement that he will hear appeals from interveners in the Transair application, that in the matter of Eastern Provincial Airways discontinuing service at Trenton Nova Scotia, he would not consider an appeal by an intervener in that case?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it was not a matter of my deciding not to hear the intervener. The hon. member is so persuasive that I would have heard the whole of Nova Scotia, had he asked, but I did not have the legal authority because that case is quite different from the one in question.

CANADIAN SOVEREIGNTY

THE ARCTIC—UNITED STATES NOTE PROTESTING CANADA'S POSITION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I wished to direct a question to the Secretary of State for External Affairs, but in his absence perhaps the Acting Minister or the Prime Minister might be interested in answering. Has there been received recently a very stiff note from the United States government to Canada protesting against the attempt by the Canadian government to assert jurisdiction for a distance of 100 miles from the mainland and the Arctic islands in the north? Does such a note contain the indication that very stern sanctions will be exercised, economically and otherwise, by the United States in this respect?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as it is not the minister's day to be in the House may I be permitted to answer. I know our ambassador in Washington has been asked, I believe in the past hour, to meet with an official of the Secretary of State's Department in that city. Of course, I have no knowledge of what the note will contain. I take it that the hon. member opposite has?

Some hon. Members: Oh, oh!

Mr. Baldwin: We do have our sources of information, Mr. Speaker. A supplementary question, Mr. Speaker. Since the debate on this bill is scheduled for Thursday, will the Prime Minister undertake to make known before that date the contents of this particular note if he receives it so that in the debate which takes place proper regard will be paid to the note?

Mr. Trudeau: Mr. Speaker, I do not know about international procedures; I am not sure if a note of this kind is intended to be made public. I am sure that if the American government wants the opposition to have a copy of it they will ascertain that that is done.

Mr. Baldwin: Read your press releases.

NATIONAL DEFENCE

ESTABLISHMENT OF ARCTIC COMMAND POST

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Minister of National Defence. Has the government taken a decision to establish a military headquarters and/or base in the Arctic? Also, when will he be in a position to outline the details as to time, place and purpose?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, as to the decision, it has been taken. The purpose of the trip I made last week was to ascertain some details and obtain new facts. As a matter of fact, these additional facts—

Some hon. Members: Oh, oh!

Mr. Cadieux (Labelle): —are being distilled now, and I hope to make an announcement some time this week.

Mr. Nowlan: Is that a fact?

Mr. MacLean: A supplementary question, Mr. Speaker. Will the contemplated establishment require a supplementary estimate in the present fiscal year or are the costs included in the estimates for the fiscal year that have already been established?

Inquiries of the Ministry

Mr. Cadieux: Mr. Speaker, I think the hon. member can trust me. It will be within the ceiling that has been allocated for national defence.

Mr. Donald MacInnis (Cape Breton-East Richmond): A supplementary question, Mr. Speaker. Has the Minister of Transport let the minister in on his plans for sharing between the Department of Transport and the Department of National Defence the responsibility of properly guarding the Arctic?

Mr. Cadieux (Labelle): Mr. Speaker, it has been my contention all along even more now than ever, that there must be some co-ordination between all the efforts in the north, not only by the Department of National Defence and the Department of Transport but also by other departments of government. I believe that there is an acceptance of that fact among all the ministers.

Mr. MacInnis: A further supplementary, Mr. Speaker. As the minister failed to answer this question on another occasion, has he now made up his mind since the Minister of Transport has also taken over defence?

TRANSPORT

STANDARDS RESPECTING SAFETY OF AUTOMOBILE TIRES

Mr. Barry Mather (Surrey): I have a question for the Minister of Transport. Having in mind the announcement by the United States Department of Transport to the effect that the Goodrich Tire Company has agreed to withdraw 43,000 passenger car tires as failing to meet standards in the United States, can the minister say what the situation is here? Do we have tire standards dealing with safety?

Hon. Donald C. Jamieson (Minister of Transport): With regard to the latter part of the question, as the hon. member knows the standards for Canadian tires, automobiles and accessories are now being drawn up and will be published under the authority of the act recently passed. I am grateful to the hon. member for having sent this particular news item to me. I will check to see if it has any application as far as Canada is concerned.

[*Translation*]

AIRPORTS

SITE OF THE INTERNATIONAL AIRPORT PROPOSED BY PARTI QUÉBÉCOIS

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is directed to the Prime Minister.

Since the construction of an international airport at Drummondville is one of the priorities of the Parti Québécois, could the Prime Minister tell the House whether the government would agree with René Lévesque in this matter? Since expropriation has begun at Ste. Scholastique, could he also tell us whether this would mean that the government could resell its land?

Mr. Speaker: In my view this question is hypothetical, at least as far as the first part of it is concerned.

[*English*]

POLLUTION

SUGGESTED ANTI-POLLUTION WEEK—ASSISTANCE TO GROUPS IN FIGHT AGAINST CONTAMINATION

Right Hon. J. G. Diefenbaker (Prince Albert): As usual, Mr. Speaker, I want to ask a non-provocative question. It is directed to the Minister of Energy, Mines and Resources. Having regard to the wonderful attitude on the part of university students across Canada—I refer to the Universities of Victoria, Saskatchewan, Toronto and others—in convening organizations for the purpose of joining in the fight against anti-pollution—

Some hon. Members: Oh, oh!

Mr. MacLean: The fight against pollution.

Mr. Diefenbaker: The fight against pollution. Because of the tremendous energy, enthusiasm and initiative of these young people in facing a problem which is even more important to them than to the present generation, will the minister give consideration to having a week set aside as Environmental Problems Week or Anti-pollution Week? Also, will the government give assistance to recognized groups across Canada who are doing their part to join in every way possible in the greatest fight that we have in our country?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I will attempt to give a non-controversial answer to that non-controversial question. Certainly, it should be a source of inspiration for those of us who are concerned with the problems of pollution that so many young people in particular and so many citizens in general are anxious to join the war against pollution. Certainly within my department we are striving very hard to find a federal vehicle whereby concerned citizens can play a part in the

federal fight against pollution. I will take the suggestion of the right hon. gentleman into consideration in that regard.

Mr. Robert McCleave (Halifax-East Hants): A supplementary question, Mr. Speaker. May I ask the minister if he borrowed these guidelines from the very successful war on poverty?

DISCHARGE OF MERCURY INTO ST. LAWRENCE RIVER

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, this is a serious question.

Some hon. Members: Oh, oh!

Mr. Woolliams: I wonder if the minister would investigate those firms that have now admitted they are pouring mercury into the St. Lawrence River? These firms have made this admission. If this is correct, will the minister discuss this problem with them in the war against pollution as it is a very important subject with regard to that part of Canada?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I will be very pleased to do so, Mr. Speaker. I think probably the most effective tool with respect to mercury pollution, until the passage of the Canada Water Bill, is under the existing Fisheries Act. I will be pleased to draw this to the attention of the Minister of Fisheries and to consider with him effective action with regard to this situation.

[*Later:*]

LOCATION OF SOURCES OF MERCURY CONTAMINATION

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question that is supplementary to questions already directed to the Minister of Energy, Mines and Resources. I should like to ask the minister whether his department and the Department of Fisheries are undertaking a crash program to locate and to remedy mercury pollution sources which are now appearing all across Canada?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there is inspection being carried out by the Department of Fisheries, by our people and by provincial departments. I do not know that I can undertake that every plant will be checked immediately. Considerable research is being done by the Department of Fisheries in their research establishment in Winnipeg in regard to mercury pollution, and I believe the situation is extremely well in hand at the present time.

NATIONAL REVENUE

REPORTED CHANGE IN FORT ERIE EMPLOYEES WORK SCHEDULES CONTRARY TO AGREEMENT

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Minister of National Revenue. Will the minister investigate reports that work schedules of employees of his department at Fort Erie crossing are being changed, in clear contravention of the agreement under which they are working, in order that their day off will fall on the holiday that comes later in May?

Hon. Jean-Pierre Côté (Minister of National Revenue): I will check on that, Mr. Speaker.

TRANSPORT

ASSESSMENT OF CHARGES AGAINST OWNERS OF "MANHATTAN" FOR SERVICES OF ICEBREAKER

Mr. A. D. Hales (Wellington): I wish to address my question to the Minister of Transport. Will the minister advise the House if user charges are being assessed against the owners of the *Manhattan* for the services of the icebreaker *St. Laurent*?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, not in the precise meaning of the term as I understand the hon. member to mean it. To that extent it is a co-operative venture. However, in terms of fuel and some other supplies en route, these are being provided from on board the *Manhattan*. There is no per diem charge or anything of that nature.

SHARING OF INFORMATION FOLLOWING VOYAGE OF "MANHATTAN"

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Transport. Have arrangements been made between the government and Humble Oil Company Limited for the sharing of information after the current voyage of the *Manhattan*, or is this subject to future negotiations?

Hon. Donald C. Jamieson (Minister of Transport): There is an understanding between those who are representing the Humble Oil Company and the government of Canada that there will be an exchange of

information. In addition to that we have our own authorities on board both the *Manhattan* and the *St. Laurent* who are accumulating a good deal of information on their own during the trip.

Mr. Nesbitt: A further supplementary. Will the minister—

Mr. Speaker: Order, please. Perhaps I will allow the hon. member's supplementary, but we have reached the point in the question period when I have to warn hon. members that we are running short of time and should cut down on the supplementaries.

Mr. Nesbitt: I will be very brief, Your Honour. Will the minister table the information when it is received from the Humble Oil Company after the voyage is completed?

Mr. Jamieson: Mr. Speaker, I suspect that will depend entirely on the nature of the information. If it is a matter of beneficial public information as opposed to something that might perhaps be advantageous to competitors or the like, it will be tabled to the extent that it is possible.

INQUIRY OF THE MINISTRY

Mr. P. V. Noble (Grey-Simcoe): I have a question for the Minister of National Health and Welfare. Because of his absence, I have checked the roster and I find that the Acting Minister is Mr. Martin. I ask the Prime Minister how questions are to be addressed to Mr. Martin?

AUDITOR GENERAL

DELAY OF LEGISLATION PENDING CONSIDERATION OF ALLEGATIONS BY PUBLIC ACCOUNTS COMMITTEE

Mr. G. H. Aiken (Parry Sound-Muskoka): My question is for the Prime Minister. In view of the fact that the Public Accounts Committee has referred the matter of allegations against the Auditor General to its steering committee for consideration, does the government intend to delay its proposed legislation until this consideration has been completed?

Right Hon. P. E. Trudeau (Prime Minister): I will gladly take that into consideration, Mr. Speaker.

Mr. Aiken: A supplementary question, Mr. Speaker. Does the government intend to abolish the position of the Auditor General?

Mr. Trudeau: In no way, Mr. Speaker.

[Mr. Jamieson.]

[*Later:*]

ASSURANCE OF CONTINUANCE OF ROLE

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a supplementary question for the Prime Minister in regard to the proposed legislation in connection with the Auditor General. Will the Prime Minister give every assurance to the House that there will not be any change in the role of Auditor General, that the role of the Auditor General will not be altered, thus affecting the non-partisan nature of that position and destroying the Public Accounts Committee?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is indeed no intention on the part of the government to introduce any legislation which might affect the non-partisan character of the Auditor General.

Mr. Bell: A further supplementary question. Can we have every assurance that the Auditor General as such will not be removed to make way for some political hack, as has been—

Some hon. Members: Oh, oh!

Mr. Speaker: Order.

[*Later:*]

REDUCTION OF POWERS BY LEGISLATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I ask a question that is also supplementary to those asked by the hon. member for Parry Sound-Muskoka of the Prime Minister. Is it the intention to introduce legislation to alter, reduce or change in any way the powers of the Auditor General?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, but we would hope that there will be a clarification of his role, as understood by all parties.

Some hon. Members: Oh, oh!

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is supplementary to those asked about the Auditor General. Has there been any decision by the government to bring his salary in line with other increases in salary, or is he to be starved out?

Mr. Speaker: The hon. member for Broadview.

Mr. McCleave: Mr. Speaker, on a point of order, I think I asked a question that was perfectly legitimate within the scheme of

things within Canada today. I asked whether the Auditor General's salary was going to be adjusted in view of circumstances. I think that is a perfectly proper question. I have asked it—

Mr. Speaker: Order, please.

Mr. McCleave: —and I am hoping for a reply.

Mr. Speaker: Order, please. There is no suggestion on the part of the Chair that the question is not proper. It was just not answered, and that is why the Chair went on to the next questioner.

Mr. McCleave: If Your Honour would excuse me, may I ask for an elaboration of your ruling. I have understood that when questions like this are asked, if they are in reasonable order—and I think mine was—the ministry should at least decide whether they should be answered or not. Your Honour seems to have taken the position that that sort of question should not be answered.

Mr. Speaker: Order, please. The hon. member has misunderstood the Chair. I indicated that the question was perfectly valid but since it was not answered I recognized the hon. member for Broadview, who has the floor.

Mr. McCleave: Thank you, Mr. Speaker; I am glad my question was in order.

URANIUM

DEVELOPMENT OF MINE BY GULF MINERAL RESOURCES—FOREIGN OWNERSHIP RULE

Mr. S. J. Korchinski (Mackenzie): My question is addressed to the Minister of Energy, Mines and Resources. I ask the minister whether the intended meeting was held yesterday between himself and representatives of Gulf Mineral Resources of Denver with regard to the foreign ownership rule? Also, has the minister assured Gulf Mineral Resources that they may proceed with their development of the uranium mine in the Wollaston Lake area?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I had the meeting to which the hon. member refers. I explained to them the rules as indicated by the government's statement in the House with regard to Canadian ownership of uranium resources. Certainly I have no authority to give assurances. The rules are there and they will be enunciated in greater detail when the regulations are promulgated and announced. It is, of course, up to each individual corporation to determine for itself whether it fits those rules and comes within the definition of a Canadian corporation in the uranium industry.

Mr. Korchinski: A supplementary question, Mr. Speaker. In view of the fact that there is an area of uncertainty here, even though a few days ago the minister himself indicated in the House that since this company had been involved in exploration beforehand the rule would not apply, is the minister now denying the statement that he made in the House?

Mr. Speaker: Order. This is debate. I suggest to the hon. member that his supplementary question is not in order, and we might perhaps give an opportunity to another hon. member.

Mr. Korchinski: Mr. Speaker—

Mr. Speaker: Order. I will try to return to the hon. member, but we are running short of time.

INDUSTRY

TIRES—CONCESSIONS TO MICHELIN COMPANY —MEETINGS WITH OTHER COMPANIES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to address this question to the Minister of Industry, Trade and Commerce. In light of the answer he gave me the other day that he was meeting with the presidents of some rubber companies, may I ask the minister whether he is giving the same tariff concessions to established Canadian tire companies as he has offered to the Michelin Company?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the offer to Michelin would be a matter for the Minister of Finance. What I said the other day was that my department was consulting tire companies with a view to rationalizing the industry in Canada. These conversations are continuing and I will report to the House in due course.

Mr. Saltsman: A supplementary question. Is the minister saying that he is seeking to include automobile tires in the Canada-United States auto agreement, and are negotiations to this effect being conducted?

Mr. Pepin: Mr. Speaker, this would be my view, but discussions are going on and we still have to deal with the United States posi-

tion, which is to progressively eliminate the safeguards presently in the pact. Conversations are going on with the United States on this subject.

COMMUNICATIONS

TELESAT CANADA—LAUNCHING OF SATELLITE —IMPLEMENTATION OF SYSTEM

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Minister of Communications. Would the minister say whether a timetable has been established for the launching of the satellite portion of Telesat Canada and for the implementation of the Canadian domestic satellite communications system?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, there are some dates that are tentative and subject to negotiation and the progress that is made in the matter of research and development for Canada's particular needs. I am not in a position at the moment to give an up to date timetable other than to say the latest date is still the end of 1972.

TRADE

JAPAN—PROSPECT OF INCREASED MARKET FOR RAPESEED

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would direct my question to the Minister of Industry, Trade and Commerce. On April 9, in reply to a question asked him in the House, the minister stated that the first step had been taken by Japan in the liberalization of trade in rapeseed. Would the minister inform the House what particular action he was referring to and at what time it was taken?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I was referring to a one-third reduction in tariff unbound, for one year.

HOUSING

ONTARIO—DECLINE IN STARTS—MEETING WITH PROVINCIAL REPRESENTATIVES— INTEREST RATES

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the minister in charge of housing. In view of the report in today's *Globe and Mail* that there is a 42 per cent decline in housing starts in Ontario, is it the intention of the minister to call together the appropriate representatives of the provincial government to work out plans to increase the number of starts?

As a supplementary I should also like to ask, with regard to the drop in the interest rates, whether it is the intention of Central Mortgage and Housing Corporation to drop their interest rates so as to set an example for other companies to follow?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, both matters are under constant consideration.

REQUEST FOR STATEMENT ON SCHEMES TO INCREASE MORTGAGE MONEY AND REDUCE INTEREST RATES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question. In view of the concern expressed by the minister, wherein he indicated he was looking at all schemes whereby more money would be placed in the market, is the minister in a position to advise which scheme to increase mortgage flow and reduce interest rates he finds most attractive?

Mr. Speaker: Order. This kind of information ought normally to be given by way of a general statement. The hon. member might invite the minister to make such a statement in due course.

Mr. Alexander: Then perhaps I could rephrase my question, Mr. Speaker. Keeping in mind the preamble to the question asked, would the minister at the earliest opportunity make a statement in this regard.

Hon. Robert K. Andras (Minister without Portfolio): I will give that consideration, Mr. Speaker.

[*Translation*]

AGRICULTURE

INTRODUCTION OF BILL RESPECTING CO-OPERATIVES

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Agriculture.

Could he tell us whether representations have been made to him by consumers or leaders of farm organizations concerning the introduction of special legislation on co-operatives? Could he also tell us whether his department or the government intends to introduce such legislation during this session?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, and at the meeting yesterday with the Canadian Federation of Agriculture the Minister of Consumer and Corporate Affairs, who will be bringing in this legislation, made some comments about it to the effect that it would be brought into the House reasonably soon.

[*Translation*]

HARBOURS

MONTREAL—MEASURES TO DEAL WITH REDUCTION IN PORT ACTIVITY

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have a question for the Minister of Transport.

Considering that the activity in the Montreal harbour has declined by about 30 per cent since 1964, what measures does the minister intend to take in order to deal with the situation?

Mr. Speaker: I venture to point out to the hon. member that he seems to invite the minister to make a rather general statement. The hon. member might wish to make his question more explicit so that the minister can answer immediately.

Mr. Ricard: Mr. Speaker, I think the minister has understood my question and I will be quite happy if he is willing to answer.

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, if the import of the question concerned the bringing forward of some important revisions of general policy regarding ports, which would include Montreal, I can say I hope to do that before the summer recess.

[*Translation*]

POST OFFICE

MONTREAL POSTAL DISPUTE—APPOINTMENT OF A MINISTERIAL COMMITTEE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a question to the President of the Treasury Board.

I should like to ask him whether he has decided to establish a cabinet committee to keep an eye on the postal dispute and to keep up to date with developments which could occur or whether the decision rests with him alone?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the hon. member knows quite well that the decisions are subject to cabinet approval.

Mr. Valade: Mr. Speaker, I would like to ask the President of the Treasury Board to clarify the following points for me. Is there a cabinet committee appointed especially to gather information on the developments in the Montreal postal dispute and to take the necessary decisions? Was this decision taken by the cabinet as a whole or was a special committee appointed to that effect? This is clear.

Mr. Drury: Mr. Speaker, as the need arises, I consult with my colleagues, collectively or personally. There is no definite rule.

[*English*]

GOVERNMENT ORDERS

CANADA GRAIN ACT

ESTABLISHMENT OF COMMISSION, PROVISIONS RESPECTING GRADING, LICENCES, ELEVATORS, ETC.

The House resumed from Monday, April 13, consideration of the motion of Mr. Olson that Bill C-196, respecting grain, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, last night I inadvertently became involved in this debate because of the lack of farmers in the House. As a result, I have had a look at this bill and I now want to say only a few things about it.

In the last few years there has been considerable agitation for changes in the handling of grain, not the least of which has been the operation LIFT program which, in effect, will take wheat out of production this year and put the land into summerfallow. This would establish in Canada the basis for an opportunity to start handling sales in a different manner. If this program is totally satisfactory then the new Canada Grain Act will have provided a new basis for the grain trade.

Presumably this is good legislation because it has a number of potentials. However, it also has some weaknesses. These weaknesses, in many cases, stem from the fact this is open ended legislation. This piece of legislation, along with other legislative measures necessary for western Canada will obviously

change the whole structure for marketing grain. This measure will undoubtedly be considered in the light of our ability to subsidize agricultural production. As an industrial nation, we have for 20 years paid-up service to the concept of developing cheap food, but we have not supplied food at cost as have other countries. Certainly France, the United States and Great Britain have done this for years, as have other agricultural countries. They have subsidized agricultural production. We have done things a little differently. We have not even asked the people receiving the benefits of low cost production to pay the subsidy out of the general treasury; we have asked the farmer to pay this subsidy out of his pocket. We have not done much, nor will we do much in this bill, to assist the farmer in getting a better price for his produce.

• (3:10 p.m.)

The legislation we are now considering, and the marketing legislation which is next on the Order Paper, should be geared to the development of a new marketing structure. If these measures are successful, they should provide the producer with a better return on his production. It has been pointed out by the Canadian Federation of Agriculture, and I will not quote their figures because hon. members have had an opportunity of considering their brief recently submitted to cabinet, that most farmers in Canada receive less than $2,500 annual cash income. The federation points out that less than 50 per cent of Canadian farmers receive more than $5,000 in annual cash income. The agriculture industry certainly is not in good shape and there must be some reason for this.

On a number of occasions I have had the opportunity of accompanying the agriculture committee to the offices of the Board of Grain Commissioners in Winnipeg. We have had numerous discussions and discovered the complexity of the grading system which has grown up over the years. Under this system, we find there are 400 grades of grain. Obviously, these 400 grades do not fit into either domestic or international price categories. They are grades established in respect of specific conditions. They have become so complex they are of no real value to the producer in assessing the grade he may expect, and of no value to the government in establishing a grade that is generally understood in the export market.

I remember a former Minister of Agriculture saying in this House that everyone knew Canada had the best wheat in the world and

wheat of the highest protein content. These people have not beaten a pathway to our door to buy wheat. They have not really been convinced of the superiority of Canadian wheat. If they have been convinced, they have not been interested because the price was not right or because the commodity did not meet their needs. There is a chart on the wall of the grain commissioners offices which allows them to ascertain the exact protein content of wheat from a given area. They know the area protein content of this year's crop, and as soon as the new crop is ready for harvest they can make a decision and a projection for the following crop year.

We have been playing around with protein content and yet a decision has not been made in respect of whether we are to establish protein content as the major factor in our selling machinery or whether we are to establish another grading system. I am concerned, as I am sure many other farmers are, about what the international grading system is. For instance, what grading system is used by Australia, Russia or Great Britain; what is the relationship between protein and the type of wheat the markets of the world want; what is the ultimate protein content for wheat; what is the protein content for bread and what is the most advantageous method by which to establish a grade? As was pointed out by speakers last night, our export sales have dropped considerably from what they were three years ago. Certainly, we are down considerably both in our ability to sell and in our ability to receive a reasonable price that would equal our cost of production.

I agree with the minister that if we are unable to sell wheat at a reasonable price, then we might as well take it out of production and ask our farmers to switch to something else. But before that happens, we should have a pretty good assessment concerning where the difficulty lies. It seems to me it doe not lie in the selling. With relation to the establishment of this new act, I would like to know what the international grading system is. If we in Canada cannot say that the system we are using is the type of system that would meet international standards, then it is the wrong system. If the minister can say there is no such thing as an international grading system, then it is about time we helped develop one. Whatever the international grading system is, we should participate in it and we should be marketing our grain on the basis of that grading system. Let us not talk

about the domestic market being in a different category, because we do not have a market of any size there.

If we buy a bag of flour from Czechoslovakia, when that bag arrives in Canada the protein and grade will be marked on it. All the particulars will be there. If we buy a bag of flour from Canada, we will be told that it is Canada's finest, the best procurable or that it is 100 per cent pure or something else which does not relate to grade. In Canada, we do not demand that there be any standard marked on the bag when the flour is for domestic consumption. The type of information marked on the bag is to the effect that it is general purpose flour or pastry flour. There is nothing which has any relation to grade, either internationally or domestically. There is no indication whether it is first or second grade, frozen, or has stones in it. Really, we are interested only in international grading. We must come to some understanding in respect of what that grade is, what our relationship to it is and what steps we should take in this regard.

In relation to this bill, the minister indicated that there will have to be more flexibility in our grading. He said the grading will be done by order in council. He said that new grades will be established by order in council when necessary, with certain limitations, provided certain other emergencies do not develop. I am not sure that is a bad thing. I am not sure it is good either, because I really do not know on what basis we are to establish these grades. I am of the opinion, however, that in Canada we have been overly protective of a system which may have become archaic many years ago. As everyone knows, we have developed recently a certain type of wheat with a low protein content but a very high yield. If we are to continue the production of wheat for feed grain purposes, then obviously it will be necessary to increase our production per acre in order to reduce our cost of production because that grain certainly will not sell at the same price as high protein wheat. So, I agree that there will need to be flexibility. But I believe there has been flexibility, although there has been reluctance on the part of the grain commissioners to accept that flexibility.

It was not too difficult for this particular minister, rightly or wrongly, to make the decision almost immediately that several new types of wheat would be released. This is really the first release in respect of a new type of wheat. There had been slight modifications over the years, but this is the first time in many years that a totally new type of wheat has been introduced into the grading system. So, there is flexibility.

Mr. Olson: That is progress.

Mr. Peters: I am not arguing that it is not progress. I think it is. But we had this flexibility under the old act, and also had a certain stability which in my opinion protected some farmers who were of the opinion—and they were certainly so advised—that the type and grade of wheat they were producing should not be reduced because the world was depending on No. 1 Northern high protein wheat. It seems that this really is not true. I hear that even Great Britain is buying wheat today on a straight protein basis from places like Argentina and Australia and apparently we are not able to meet that demand.

To be fair to the minister, I think he has done a number of other things, good and bad, which have had some effect on this situation. One of these has been the establishment of the block system. I think this system was established on the basis of the original concept of the terminal elevator. It was originally intended that certain grades could be established at inland and terminal elevators and delivered in both boat and trainload lots to the port terminals. However, over the years there has been a tendency for the country elevator to get rid of the type of grain that is most difficult to dispose of and at the same time fill up the elevator again because that is how they make their money. I can remember one Member of Parliament a few years agc telling us that he was lucky enough to have loaded a car with flax seed or mustard seed and when this boxcar arrived at the coast it just happened that it was in the right position at the right time. He was able, therefore, to sell it for two or three times the amount he would have received otherwise because the buyer was there when the car was in position at the coast.

There has been considerable loading and shipping without any relationship to the ability to export or sell that commodity under a reasonable price structure. This has created some problems. I still do not understand why a transport controller has not been established. I realize the block system partly solves the difficulty in this regard, but we have had problems and I expect this fall and next year we will have problems again. I believe we will have these problems until someone is

made totally responsible for the movement of the boxcars. I think that with a modern communications system we could probably connect that system with the boat shippings and other things involved in the movement of grain. When we do this we always are able to move a great deal of grain in this country. We seem to become involved in a good deal of difficulty when we let the railways handle the movement of grain themselves.

• (3:20 p.m.)

The block system is applied mainly by the Wheat Board and the Board of Grain Commissioners to get the wheat into position, but we still need someone to move it along the track. This would seem to me to be the role of a transport commissioner who would have sufficient authority to oversee the movements and decide when the time is right for the sale program to be put into effect. Until we appoint a person who will be solely responsible for that operation, the block system will not function as well as it could, although it has already brought about a great improvement. The minister is to be congratulated for this.

Mr. Olson: That authority is sought in the bill.

Mr. Horner: That and a lot more.

Mr. Peters: The minister says that authority is sought in the bill. This raises a problem that I discussed with him personally concerning the individual car order book. The use of the individual car order book would mean that a person could order a car, have it delivered to his elevator and then load that car. He would have the right to do this. Probably this operation is not as practical as one could hope for, but nevertheless it was available. The block system may make it impossible for the farmer, if he is in the wrong protein grain area, to get loadings. This would be one of the responsibilities which I would give to a transport controller.

The new commission—and we will be interested to discuss this in the committee—will go some way toward the establishment of a relationship with the feed grain industry. A great many problems have arisen as a result of the fact that originally the feed grain industry was outside the jurisdiction of the Wheat Board. Sometimes officials of the Wheat Board come before the Agricultural Committee and say that barley is selling for 85 cents a bushel, and yet when they are questioned they admit that it is actually selling for as low as 35 cents a bushel. Yet, it is the first figure that is presented to the minister. If I were the minister I would be very angry about this because he has to take responsibility in the House for those figures, and yet the members of the Board have admitted they knew these figures were not correct. They were not really sure what the exact figure was. So, by giving control of the feed grain industry to the grain commissioners, we will eliminate some of the major problems that are developing because a large portion of our sales in specific grades do not come within the control of the national agency and chaos is developing in that area.

I did not intend to speak for this long, but there are a couple of other comments I wish to make. They concern the relationship between these problems of production and sales, particularly export sales, and the operations of the producers themselves. There is probably no industry in Canada with which the government is more involved in an authoritative way than the agricultural industry. The involvement is not in money. It has not really made much of a contribution in monetary terms, but it has certainly made a great intrusion into the agricultural community through regulations. In the last few years the government has been saying to farmers: "Go out and expand. You cannot exist unless you have an economic farming unit". In western Canada, this means you need several sections of land and a very large expenditure for agricultural machinery. At the same time, the government said to the farmers: "It is not entirely our responsibility to sell your products". We lent a great deal of money to farmers to expand their farming units and to establish economic farm units. Then, we said to them: "We cannot sell your produce and we cannot do anything about the sales structure, so we will take your land out of production this year but we will pay you your cost of operation. We will not give you any money but we will pay you the cost of summerfallowing your land. We will not give you the money to pay the interest on your loans, nor will we give you any other consideration."

Tied to that proposal by the government is the new regulation which will affect every farmer who in the future will produce wheat and will sell that commodity to the Canadian Wheat Board under this grain legislation. We have told farmers what they can do and what they cannot do, but we have not given them much assistance. Now, we are establishing a whole new structure which will have a very

definite effect on deciding whether or not western agriculture will be successful. We will say to the farmers: "Your whole grading system has been changed and the marketing of grain will be related to the area from which you come. If you are in the Palliser triangle your grain will be of a considerably higher grade", because for some peculiar reason the protein content of the grain in that area is considerably higher than in other areas.

So, we have told the farmers, what they can do and what they cannot do. We have told them how to handle their products, to whom to sell them and how to do it. We lent them money and then we said: "If you sell wheat, you have to pay us half the money". We say to the farmers in western Canada: "You must sell 10 bushels of wheat because you must give five bushels of that wheat to pay off your cash advance". Everyone knows they will not sell 10 bushels of wheat because their quota will not be that high. The farmers do not expect more than a five bushel quota, so we will only get half the amount.

We have intruded into wheat production, and we have done a great deal to control it. I think that the grain Commissioners and the Wheat Board are to be congratulated on the reputation that they have helped Canada establish in this area. It is unfortunate that we waited until that reputation became tarnished before making this kind of change. However, I suggest to the minister that there are a number of things for which we are responsible to the farmer. We must provide the wherewithal for a total revamping of the grain handling system and we must provide new facilities for the handling of grain in western Canada. We are still in the horse and buggy days. Every elevator that is being built in western Canada is being built to accommodate a wagon, not even a truck. It is being built for out of date facilities. An hon. member shakes his head. If farmers agree with him, it is for the simple reason that they own many of those facilities and they would lose their equity if they had to dispose of them.

• (3:30 p.m.)

I believe that the types of box cars we use, which are not built for the types of elevators we have, and that the types of docking facilities which we have, should all be up-graded and revamped to meet modern transportation needs in the handling of our grain. The new production levels that we establish will have to be high enough so that we can legitimately decide in Canada, whether or not we have a subsidy, that we will be able to produce the quantity of grain that will give a reasonable return to the farmer in order that he may stay in business. The farmer has to be assured of that.

A floor has to be established so that the farmer is provided with a production level, with a quota structure, that will give him a reasonable standard of living. I do not believe the Minister of Agriculture (Mr. Olson) considers it a reasonable level when 25 per cent of the farmers in Saskatchewan have an income of less than $2,500 in an average year. Our quota structure must produce a reasonable return for the farmer or he will be in serious trouble, and in the end both agriculture and the Canadian consumer will be in difficulty. There is no point in boosting one segment of the agricultural economy if we do not stabilize agriculture all across the board. The change proposed here has to be made in conjunction with other changes.

One of our major needs today is an export sales program. As a member of the Agriculture Committee I have been shocked to note the lack of decisiveness shown by those people who are selling our agricultural products. We seem to depend on the type of person who will be selling Argentine wheat this afternoon, French wheat tomorrow, and who will be peddling Canadian wheat the next day. These people are not selling wheat just because it is Canadian wheat. They are selling wheat because of the opportunity they find in the market place, and they get a commission on their sales. That is not good enough. There are very few countries in the world that are not using their financial resources to promote sales in export markets. This has created chaos, and if Canada is not to lose all its agricultural industry I think we will have to provide our farmers with some of the same advantages that other countries provide theirs in this troubled time of export surpluses.

The minister is to be congratulated on introducing this bill. Knowing the minister, his background, his history, and his recent agreement to the committee proposal with respect to dairy policy, I am sure he is willing to accept suggestions and amendments. I believe that after serious study of this problem this bill, or an amended version of it, will give some advantage to Canadian farmers who, without a doubt, have suffered because they have been producing a top quality product. They have been meeting the standards which were set for them, but now they are told that these standards are not the type

which the international markets demand. As a result, farmers have not been able to cover their costs of production. I hope the bill will receive the type of consideration that will allow for an orderly transfer from the old legislation to the new, with provision for innovations that have been long overdue, to the advantage of all people concerned.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, on rising to take part in the discussion on Bill C-196 I do so with concern for the agricultural industry. Not since the 1930's have we seen farmers in western Canada, where the provisions of this bill will apply in particular, so anxious about what may be in store for them. We have seen the government offer western Canada $140 million, and then admit that only $100 million will be needed. But even following that, members of the government say, "We don't know how much of that will be used." The latest report by one Department of Agriculture official expresses his fear that farmers will not sufficiently reduce crops. Then comes this bill.

I listened to the speech made by the hon. member for Timiskaming (Mr. Peters). He was eager to compliment the government for introducing this bill. But does this bill mention protein grading? It does not to any real extent. As recorded at page 5816 of yesterday's *Hansard* the hon. member for Saskatoon-Biggar (Mr. Gleave) said protein grading should be provided under the terms of this bill, and the minister replied, "It will be."

Mr. Olson: It will be provided.

Mr. Horner: Again he says it will be provided. What else will be provided in this bill? Rigid, authoritative controls are also going to be provided through this bill. Elevators are to be licensed in four different ways. Now, grain dealers are to be licensed. Whether licensed dealers will be better than unlicensed ones I do not know. The bill practically limits the type of grain that one can produce because of the application of the block system.

We have seen the government attempt to limit farm production. Now, we see it attempting to bring about a protein grading system. I wish the Minister of Agriculture (Mr. Olson) and the Minister without Portfolio (Mr. Lang) in charge of the Wheat Board could get together on their respective programs. If the Minister without Portfolio is going to bring about any wheat acreage reduction he is going to do so in the area that produces high protein wheat. If he is going to bring about any increase in wheat production, it will be in the areas that produce low protein wheat.

Now, we see the Minister of Agriculture trying to establish that the reason our sales have gone off is that we have not really sold wheat under the protein content grading system. The idea of this system has caught fire in western Canada. A number of farm writers have said we should have adopted the protein grading system a long time ago, and that that is the reason why our sales have fallen. But let us not be misled in this House. Protein grading should have been adopted years ago but we did not lose all our markets because we did not adopt it, and now that we are going to adopt it this does not necessarily mean that buyers will be attracted to our door. We will still have to go out and sell our wheat.

If you have a product that is not moving and you cannot sell it at a discount, then you give your salesmen a little more incentive and maybe they will work a little harder to sell it. The President of the Winnipeg Grain Exchange has asked why a salesman should sell Canadian wheat. He has said such a man would make more money selling four cases of dog food to Japan than a full boatload of wheat. One of the brighter members of the agriculture committee replied that there were more people in Japan than dogs, and so there should be a better market for wheat there.

Is protein grading the real answer? I will go into that in detail. Will the program outlined by the minister in charge of the Wheat Board bring about a reduction in high grade protein wheat in western Canada? I think it will and I am going to outline why I think so and why that program will work directly contrary to this piece of legislation if, in fact, this piece of legislation brings about protein grading. What does protein content mean? I should like to read briefly from "Wheat Chemistry and Technology", page 31. Writing on protein content, the Author, Lawrence Zeleny states:

• (3:40 p.m.)

Protein content in wheat varies from about 6 per cent up to about 20 per cent, depending in part upon variety and class but more largely upon environmental factors during growth. Abundant rainfall during the period of kernel development usually results in low protein content, while dry conditions during that period favour high protein content.

Dry conditions produce high protein wheat. Is it going to pay farmers to summerfallow in low moisture areas where low yields are attained and where high protein wheat is produced? There will be no surplus wheat in

those areas. Any reduction in wheat acreage will not be because of the program introduced by the minister but because high protein wheat is not produced in surplus. This bill links the block system into the quota system and the regulation of the elevators is going to favour high protein wheat. This system does absolutely nothing for the producers of low protein wheat, other than to declare it feed wheat which will have to be sold to the licensed dealers. Whether those licensed dealers will have the right to transport it across provincial borders or all across Canada is not stated in the bill.

We have two pieces of legislation here which are diametrically opposed insofar as high protein areas are concerned. The area outside the high protein area is completely insignificant. Does that area always have to produce low protein wheat? The book "Wheat Chemistry and Technology" goes on to explain, in dealing with testing methods, that protein content can be considerably influenced by the availability of nitrogen in the soil and by the addition of nitrogen fertilizer. However, this bill does not mention what system of testing would be used.

How is the minister's program working? His own farm is in my riding. He attended a meeting there and discussed whether the LIFT program would help the farmers. I came along a few days later and attended a meeting with the same farmers. I asked them whether I explained the program any differently from the minister and they said that we had both explained it in the same way.

Mr. Olson: It is all those bulletins we have been sending you.

Mr. Horner: The minister says it is all the bulletins he sent. But did the minister find that the farmers were accepting his program? I do not think he got any different reaction than I, when three farmers stood up and said they could take advantage of the program. At another meeting where 100 farmers attended, only four indicated their acceptance of the program and one of these told me afterwards that he shouldn't be counted as he will have to seed in order to live.

There is no general acceptance of the acreage reduction program that the Minister without Portfolio and the Minister of Agriculture introduced. It is definitely linked with this protein bill now before us and with the whole block delivery system. This bill and the block delivery system will eventually affect the quota system; the two go hand in hand. At a meeting in Brandon, Manitoba, attended by 700 farmers, only nine stood to indicate that they could take advantage of the quota. Surely, before this legislation is passed the man in charge of the Wheat Board, in consultation with the knowledgeable Minister of Agriculture who has long left the farm, will adjust the wheat acreage reduction program.

If the government has $100 million available for western Canadian farmers, should they not be bold enough to outline a plan that the farmers could take advantage of instead of one outlined and devised by academics? How can farmers in Saskatchewan take advantage of it when last year 18 million acres were under summerfallow and 16 million acres in wheat? How can they take any more land out of production? What effect will all that summerfallow have on the protein content next year when we are told that will be the basis upon which grain will be graded? The minister knows that you get low protein wheat but a higher yield under higher moisture conditions.

In an article appearing in the Calgary *Herald* on Saturday, April 11, 1970, an expert in the Department of Agriculture is quoted, under the heading "Farm Crop Cuts Not Yet Enough", as follows:

> J. S. Carmichael, an economist with the agriculture department's markets information division, studied the prairie grain situation on the basis of the DBS survey. His report concludes that farmers need to reduce their planting intentions still more.
>
> Canada already has 950 million bushels of hard red spring wheat on hand.

I do not believe Canada has that much wheat on hand, Mr. Speaker. This government, through the application of that acreage reduction program and this bill, are attempting to reduce the storage costs on wheat so that they will save the Treasury some money and not help the farmers one bit. That is why they kept storage space empty at the Lakehead for two months last winter, because storage costs the government one cent per bushel per month. This is the purpose of this bill.

Mr. Lang: Nonsense.

Mr. Horner: Its purpose is to directly regulate the handling of grain, to keep commercial storage costs at a minimum and thus save the Treasury money. In the long run, this program might cost the farmer a lot but let's tell the whole story. The minister said that is not quite so—

Mr. Olson: I said that is exactly not so.

Mr. Horner: It is exactly not so, he says. Let us take a look at what Mr. McNamara had to say before the Standing Committee on Agriculture on April 18, 1969. As recorded at page 1243 of the evidence, I had asked him to comment on whether the selling of our wheat by protein content would give the Wheat Board greater latitude in pricing under an international grains agreement. He replied:

> Dealing with the last question first, I feel that if we were to revert to a policy of selling on a basis of guaranteed protein not only would it necessitate—

This is the point on which the minister said "not so", and I want to emphasize that:

> —a complete revamping of our handling and selling systems but I cannot see where we would benefit by it. We have explored this with many buyers of the world and we find that they are not prepared to pay a premium although they would like to have it guaranteed. If we take the cream off our crop I am very much afraid that the residual quantity at the lower protein would mean a lower return for the producers.

• (3:50 p.m.)

Mr. McNamara is the chairman of the Canadian Wheat Board, so I suppose he is in disfavour. We have to admit he is one of the most able men in the trade. He is over 70 years old and is still kept on by the government, not because of his youth or flexibility but because of his knowledge. He said we shall have to revamp our whole handling system. This bill is designed to revamp it and to reduce the quantity of wheat held in commercial storage, so that the government can get out from under the provisions of the Temporary Wheat Reserves Act of 1956. This act says that the government must pay the storage charges on wheat in storage in excess of 178 million bushels. This bill is one means whereby the government will attempt to get out from under the provisions of that act. Mr. McNamara goes on to say:

> We are geared to a bulk handling system, and I still think it is the most efficient system—

The chairman of the Wheat Board is saying that if we adopt a protein grading system we must change our handling system. He makes that very clear, from my reading of the committee proceedings. He further says that this new method of protein grading and the changes in our handling system will entail mixing at the terminal; but the minister did not say anything about that in his speech. This bill is full of verbiage; the wraps have not even been taken off it and we do not know the minister's full intention. Answering an earlier question he said, yes, that it will include provisions relating to protein grading. I do not know whether the question was asked of him with respect to mixing in terminals.

Mr. Olson: Yes, it was.

Mr. Horner: Certainly, it will have to provide for the mixing at terminals. Mr. McNamara has something to say about mixing at terminals. I say that this bill will enable this government to reduce the expenses connected with commercial storage in terminals. It is designed to save the government money, and farmers will have to pay more. That is the name of the game.

Mr. Olson: That is absolutely wrong.

Mr. Horner: The minister says that is absolutely wrong. Let the minister stand up and deny that next year less money will be paid under the Temporary Wheat Reserves Act of 1956 in connection with wheat stored in commercial storage.

Mr. Olson: Mr. Speaker, all I want to do is to direct the hon. member's notice to the fact that the payments made under that act are not determined by the criteria the hon. member has outlined.

Mr. Horner: The minister has not denied what I have said. He tried to hold me off, but did not deny what I said.

Mr. Olson: Mr. Speaker, I am afraid the hon. member was using a wrong premise.

Mr. Horner: Let the minister in charge of the Wheat Board deny that next year payments under the Temporary Wheat Reserves Act of 1956 will be lower than before. He will not deny that.

Mr. Lang: Mr. Speaker, will the hon. member permit a question?

Mr. Horner: Perhaps the minister could ask it when I have finished. If he wants to deny what I have said, he can.

Mr. Greene: The hon. member would be stuck for the right answer.

Mr. Horner: Mr. McNamara went on to say this, as reported at page 1246 of Minutes of Proceedings and Evidence No. 32 of the Standing Committee on Agriculture:

> I am very much opposed to terminal mixing. I know that there is a wide school of thought on this, and I can see that in some of the lower feeding grades, commercial grades, and so on, modifications are required, but I think, personally—and I am not

speaking necessarily for my Board on this; because I have held these views for years—that for us to have terminal mixing of our higher grades would result in a much lower quality of product going into the foreign markets.

What he says about foreign markets is pretty clear. He goes on to say:

And one thing we need to maintain at this time is the quality of our exports. Recently there was a case in Japan where the Americans got into a lot of serious trouble. This was mainly because of terminal mixing at the west-coast ports. The quality was not satisfactory. They had to take steps to correct it. Therefore, speaking as Bill McNamara, my voice will always be heard against a change in the regulations which would allow terminal mixing of our top three grades, at least.

I say, as a result of the full application of this bill, terminal mixing will take place. Let the minister deny that charge.

Mr. Olson: Under the supervision of the Board of Grain Commissioners.

Mr. Horner: Now, he says it will take place under the supervision of the Board of Grain Commissioners. Did Mr. McNamara ever believe it would take place under no supervision. He fully believed it would be supervised.

We are told that by revamping our grading and handling systems we may possibly sell more wheat. We may, but not necessarily. In this connection, I have raised questions before the Standing Committee on Agriculture repeatedly over the past ten years. May I refer to Minutes of Proceedings and Evidence No. 41 of the Standing Committee on Agriculture. At page 1586 Mr. Treleaven of the Canadian Wheat Board is answering questions about British sales and why sales have dropped off to Europe and Great Britain. He says this:

...there are two or three factors that enter into a decrease in our total sales volume to the United Kingdom.

Mr. McNamara has touched on one and that is the fact of the changes in milling technology. This is a very, very sophisticated milling country, changes in milling technology have allowed them to use less of the strong wheats—

I emphasize the word "strong" because a strong wheat is spoken of when people mean high protein wheat. I continue:

—in their grist and still get an acceptable loaf of bread. So there has been in general a decrease in the proportion of high quality strong wheats that they have bought.

He goes on to say:

Today more and more of that trade is going by trans-shipment from northern European ports—through Rotterdam, Antwerp, and Amsterdam.

He also said that the United Kingdom is buying wheat from central European countries, including Spain, and that they are melding all this wheat into a grist, still using Canadian wheat as the basis, to get the cheapest commodity they can and still produce an acceptable loaf of bread. Although I accept the idea behind protein rating, I do not see that it will bring about gigantic increases in our sales. It could be that the regulatory controls envisaged in this bill and the increased red tape will mean that farmers will obtain less cash for the same amount of work.

The government is saying to western agriculture, and to Canadian agriculture in general, "Please take your reserve land out of production." If Canadian farmers could only produce enough feed grain, we could produce enough hogs, cattle and poultry to supply the needs of this country. Last year, 7 per cent of the beef consumed in Canada was imported; last year we imported 60 million pounds of pork, which is about 400,000 hogs. If we could use our surplus grain profitably, we would not need to import poultry, eggs and all the rest of it. We would not need to import over $10 million worth of poultry and over $20 million worth of eggs. That sounds like a lot of eggs.

Mr. Olson: What about exports?

Mr. Horner: The minister talks about exports. True, we exported quite a bit of beef and pork, but we could export more. We should not necessarily cut back our production. The farmers are looking for hope; they are looking for leadership and do not want to be told, "Cut back, and we will give you $6 an acre to quit farming certain land." That $6 per acre would not even pay the interest on the money that is tied up. Has the minister ever said that he intends to introduce a moratorium on Farm Credit Corporation loans or on loans used for the purpose of buying machinery from farm machinery companies? Some companies are foreclosing. I ask the minister whether he would not look into the operations of the farm machinery companies and whether he would not be willing to use, if necessary, the recommendations in the Barber Commission as a means of curbing the activities of some farm machinery companies. But no; we have two ministers in this area, under the old maxim of divide and rule. The Prime Minister went out to Winnipeg some time ago and said, "Why should I sell your wheat?" He did not sell it, but made two

ministers responsible for agricultural matters. One of those ministers has introduced a program that is unacceptable. The western farmers would like to be able to accept it. Last week I asked the minister in charge of the Wheat Board if he would accept a change in the guaranteed eight bushel quota. Why could it not be transferable to barley or some other crop?

• (4:00 p.m.)

Although 75 per cent of the farmers in western Canada do not have a surplus of wheat, they may have 50 per cent of their land in summerfallow. They may have a quota. They are going to seed wheat this year because the eight bushel quota is the only guarantee they are given. The sad thing about most of that area is that the northern part and along the foothills, which produces the low protein wheat, will not be covered by this bill. We see confusion at its best.

The minister, who may well have been on the farm at one time, happily left the farm. He has had the farm problems dumped in his lap and has now come up with an economic trick that is causing a nightmare throughout western Canada. The farmers are attending meetings, 700 farmers in Brandon, 12,000 in Regina, 6,000 in Saskatoon—

Mr. Olson: More than that.

Mr. Horner: The minister says, "More than that". The minister will have more than that on his doorstep here if the two ministers do not get together and give the leadership this federal government is bound to give. I am not referring to the type of leadership displayed by the Prime Minister when he said, why should I sell your wheat? The farmers should be told what they can produce and the government should be prepared to sell it. The government should spend $30 million selling wheat rather than giving that money to the farmers not to produce wheat.

Mr. Olson: We do that as well.

Mr. Horner: If the government is spending $30 million selling wheat, why is there not a salesman going on an extended trip such as the Prime Minister intends to take? He plans to spend two days scuba diving rather than talking to our Pacific rim customers. Why cannot he have such talks when visiting that area? The Department of Industry, Trade and Commerce is to be amalgamated with the Department of External Affairs. It is only right that someone knowledgeable should go along on the trip.

What are the facts with regard to protein grading of wheat and the grading of wheat in other countries? Approximately 82 per cent of the wheat produced in Australia is low protein. Is the wheat acreage being cut back in that country? The 1970 figure shows that Australia has not cut back one bit. I see the minister shaking his head. I suggest that he read the report on wheat marketing prepared by Mr. Hudson for the Economic Council of Canada.

What about the United States? That country is supposed to be selling wheat according to protein content. According to the report of the agriculture committee the United States is not doing too well with mixing at the terminals, and has got into trouble with Japan. Is that country cutting back on wheat acreage? They are not cutting back at all. In fact, the northern states, Montana and the Dakotas, have been encouraged to increase their wheat acreage because of Canada's action. What is the net result? Canada is the only country of the five major wheat exporting countries that has said, we quit. Canada is the only country to take that negative approach. The minister shakes his head. He can make his own speech later if he likes. Canada has acted negatively and continues to do so. This bill may or may not do much for us. I am not prepared to judge it as good or bad until I have had an opportunity to examine it fully in committee.

There is no protein grading. Is it the French grading system we are to adopt? Are we going to adopt the Russian system? That country grades on the basis of protein to some extent. Are there two levels of cellulose and protein content that are going to be judged? We are not given this information. Will we be in a better competitive position with France? It is France that seems to be undercutting the price in the International Grains arrangement. I talked to the former minister in charge of the Wheat Board. I asked him whether Canada had notified the French government that Canada was anxious because of their price-cutting, but he said we had not done so. It was left up to the Wheat Board. He informed me the International Grains Arrangement countries were going to be meeting somewhere at some time. That is not good enough.

Farmers in western Canada have never wanted subsidies or handouts. They want a chance to produce. They have proven that

they are very efficient, because they have gotten along with less subsidies than the farmers of any other country of the world. Western farmers want the government, the Wheat Board and the Board of Grain Commissioners to sell their product. If these agencies are unable to sell it, the farmers would like at least an honest effort to be made. This government has failed to do that. The Prime Minister in a shrugging, fanciful way said in Winnipeg, "Why should I sell your wheat?"

As far back as 1935, the Wheat Board was the responsibility of the government. The Wheat Board officials were appointed by the government and were therefore the direct responsibility of that minister of the crown who had nothing else to do but look after the Wheat Board and encourage the farmers on to greater heights. He has not done a good job. That minister, too, has accepted a negative line of thinking. The minister says, if we cannot sell it, then we had better not produce it. We are the only country in the world to adopt this attitude. The United States cut back wheat production in an orderly way 20 years ago, but they have not cut back any more in the last couple of years. The minister holds out a report which purports to say otherwise. In the last two years in particular, the United States has not cut back wheat acreage.

This program will bring about a wheat acreage reduction in the areas producing high protein wheat. While selling and grading on the basis of protein content may be used as a scapegoat by the government to show why we have lost sales. I say we have lost sales because we have not paid enough attention to the selling angle. We were ready to accept the negative approach that we should curtail production.

The government stated that they were prepared to give to the western farmers $140 million and then said, knowingly, that the figure amount used would be $100 million. In their hearts, they know that only $30 million or $40 million can possibly be accepted by these farmers, even with the best conditions in western Canada. Is the government prepared to adjust its program so that the farmers can take advantage of the $100 million they reportedly are prepared to give them? Neither minister is prepared to adjust his program. Both ministers know that under the program farmers cannot accept more than $30 million or $40 million. The minister shakes his head. He knows better because he has been meeting the same farmers as I have and has been hearing the same results. The Minister without Portfolio knows better. This is shown by reports from the Dominion Bureau of Statistics. These reports show there will be a voluntary wheat acreage reduction by the farmers of 26 per cent and a 5 per cent increase in summerfallow. Under the government's program, the farmers will only be paid on the 5 per cent increase in summerfallow. Five per cent of $100 million is $5 million. I was over generous when I said $30 million or $40 million.

Mr. Olson: That was before the program was announced.

Mr. Horner: I have not heard of any major changes since the program was announced. If the minister has heard of any changes, I ask him to stand up and tell this House. How many people in Brandon did the minister say would be taking advantage of the program? Was it 7 out of 700?

An hon. Member: Nine.

Mr. Horner: How many people before the program was announced were going to reduce their acreage?

Mr. Olson: That was not the question.

• (4:10 p.m.)

Mr. Horner: The question in western Canada today is, "Is the government serious? Do they have $100 million for western Canada or are they just baiting and teasing us?" Do they mean it or do they not? If they do, then the program should be adjusted so all farmers can take advantage of it. If you are honest and fair with western Canada, then western Canada will treat you more than fairly and honestly.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak on Bill C-196 I would be the first to say that I am in general agreement with the aims of this bill, which is to revamp the Canada Grain Act, something that has stood for over 40 years. It is significant, in view of the rapidity of change in our modern world, that the Canada Grains Act is only now being revamped, and this indicates that the original act was either exceptionally good or that changes in our grading system have not occurred to a marked extent.

This revamping of our grading system, mainly in the field as I understand it of protein grading of wheat, is at least five years overdue. This bill brings into sharp focus the case for the government passing the standards bill that is now on the Order Paper. Govern-

ment proponents of the standards bill indicate that voluntary standardization is not enough, that it is much too slow to be effective in a modern world. On the other hand, grading regulations have been entirely under government control and have not been changed for 40 years. This seems to indicate that there is no real evidence that governments move particularly fast when they are called upon to review regulations in a particular industry. Indeed, the slowness of the government in dealing with the Canada Grains Act would be a good indication that the standards bill will result in a similar slow down of changes in standards rather than accelerate them.

The indications for change in this bill have been brought about mainly by the need for protein grading in our export sales of wheat. Knowledgeable people to whom I have talked in the grain industry do not feel that protein grading will in itself increase sales of wheat in the export markets, but that unless this is carried forward we will be unable to maintain even our diminishing percentage of the world market. We in Canada are particularly dependent on the export of wheat to support the basic plank in the western grain economy. This income has in general a very marked effect on total income not only in western Canada but in the whole of Canada. Indeed, the export of western resources such as wheat, meat, oil seeds, oil and gas, minerals and forest products are the means whereby Canada is able to have a standard of living second only to that of the United States.

At the present time various factors are at work within the Canadian government structure that seem to be doing their best to antagonize our customers abroad. At the same time we are involving ourselves in an extremely heavy welfare-orientated government program; the government is proposing to cut down investment level by implementing its white paper on taxation; and it is attempting to create a bilingual political and economic system. All of this makes us a less competitive nation in the markets of the world. Recently we began to engage in curtailing foreign investment in our resources.

Protein grading of wheat may well be used as the scapegoat for all our ills and lack of export sales. In fact, though important, it has been only one of the many hard facts we have to face. For example, more countries of the world are becoming self-sufficient at this time in cereal grain production, and competition is becoming greater and more intense.

[Mr. Ritchie.]

Just three years ago it was suggested that Canada could grow all the wheat it could, for which a ready market would be found. The present state of our grain sales indicate that this is not so.

In the report of the Economic Council of Canada the commissioner pointed out that:

> Canada has achieved a rate of growth of labour productivity and agriculture well above that recorded in other sectors of the economy, and I'll roughly compare comparable dimensions to the rate of growth of agricultural labour productivity in the United States. However, the substantial disparity between the two countries in the absolute level of agricultural labour productivity has widened significantly. Mechanization and yield technology have contributed in nearly equal proportions to growth in the United States. In contrast, Canada has advanced in the area of mechanization but not kept pace in yield technology.

This would indicate that merely researching the guaranteed protein content is not the panacea when we consider the marketing problems of western Canadian wheat. It also indicates that we should be having a second look at the main factors that influence the productivity of the Canadian farmer. Family farms handed down from generation to generation must be virtually bought back from the government. Payment of estate and capital gains taxes and increased tax on the middle income group mitigate against easy acquisition of Canadian farms by a new farming generation.

Canada's percentage of the grain market has dropped from 24 per cent to 19 per cent in recent years and strenuous efforts will be needed to regain this share. Nevertheless, so far as this bill is concerned, protein grading should be introduced without too much dislocation of our markets in the world.

The complexity of marketing problems and changes that might have to be necessitated in wheat grading are indicated by a recent study of the Canadian-American Committee of the National Planning Association and the Private Planning Association of Canada. One of the commission members, Mr. Arden Burbridge of North Dakota, suggested that our grading system may have discriminated against developing countries that could have been major customers of ours by setting champagne standards for customers with beer budgets. He is quoted in today's issue of the *Globe and Mail*, April 14, as follows:

> These undeveloped countries have a need expressed more in terms of tons of wholesome nutrients without great concern for fine points of quality (such as bread colour, low volume and baking time).

With limited foreign exchange, it would seem that they would prefer to be able to negotiate price to take advantage of their lower quality demands.

Thus, by holding a fixed, rigid price, the exporting countries discriminate against our greatest potential future growth market.

He also suggested that unrealistic demands for high quality wheat prevent the switch to higher yielding semi-dwarf varieties whose quality, while slightly lower, would be adequate for this important market. The switch to protein marketing will have quite far-reaching and serious consequences on the pattern of grain growing in western Canada. For many years the Palliser triangle has been the area of Canada which usually produced the high protein grain that would bring a premium in world markets and which also contained the gluten and baking qualities necessary to meet the requirements of markets in Europe and Japan.

The whole parkland area outside the Palliser Triangle poses a problem in that it has been growing wheat for many years and the farm economy is geared substantial to wheat growing. If this area were not able to produce high protein saleable wheat, and if the discount on what they produced was too low then this whole area would be economically disadvantaged. However, should markets remain available in countries where low protein wheat is acceptable, then it may well continue its role as a wheat growing area in western Canada.

• (4:20 p.m.)

Also there seems to be substantial evidence that the protein level of wheat can be increased by judicious application of nitrogen so that in most years, even with the present varieties of wheat, substantial quantities of high protein wheat can be produced in parkland areas. It would seem possible that high yielding protein wheat can be developed for this parkland area and research would be indicated in this field. Otherwise, if there should have to be a cessation of wheat growing in much of the parkland areas of western Canada, there would be great economic dislocation and hardship. With this in mind, I should like to point out the possibility, that with the United States using protein grading right at the farmer's bin, this would seem to be much more fair than attempting to have a particular area designation.

There is one important aspect of this bill in respect of which I reserve judgment, and that is that all changes in grading are at the whim of the Governor in Council. This means that in the future any changes in the grading system can be made with simple disregard for Parliament. It has been 40 years since the Canada Grains Act has been amended. It would seem to have been a reasonable success, and it has remained under the control of Parliament. This usurption of power is becoming an everyday occurrence on the part of this government. It would appear they consider that in future all changes in the grading of grain should not be in the hands of Parliament but only in the hands of the Governor in Council.

The minister has stated it is necessary to move quickly, so power must be retained within the government at all times. There have been no major changes in the grain act for 40 years and it has always been the government's prerogative to introduce legislation at any time to make changes. Protein grading should have been instituted some years ago, yet the government has shown that it has not been worried about this problem. So far at least, changes in grading should be made only after reasonable consultation with the producer and marketing groups, and finally with elected representatives in the House of Commons.

Recent changes in the acreage quota by order in council leave much to be desired. Just recently we had operation LIFT proposed by the minister, which seems to have been introduced after very little consultation with producer groups. Under the LIFT program, the minister hoped that no wheat would be grown in western Canada during the coming year. To have followed up the minister's idea in its entirety would have been a disastrous economic move for the grain farmers and the western economy in general. Fortunately, the farmers seem to have more sense than the Minister and seem to be thinking about a modest reduction to approximately 15 million acres of wheat. This seems likely all that can be done in one year.

The minister in charge of the Wheat Board has indicated that he expects the Wheat Board will only buy from the producers somewhere in the neighbourhood of 250 million to 300 million bushels of wheat based on an eight bushel quota. Obviously, he further expected that the normal intake of about 450 million bushels of wheat from a crop year would be reduced.

Mr. Lang: Mr. Speaker, I rise on a question of privilege. The hon. member referred to

figures concerning the amount of wheat expected to be produced next year by the farmers, as though those figures had been given by me at some time. These figures are completely in error. If you consult the figures at the time the LIFT program was announced and make a calculation on the basis of 53 million acres and eight bushels per authorized acre, you will find that 53 million times eight works out very close to the 425 million bushel figure to which the hon. member has referred.

Mr. Ritchie: I am glad the minister made that statement, because no matter how you figure this, on the basis of only eight bushels per specified acre it does not work out. Many farmers will not have the wheat to fill their acreage quotas unless they grow wheat. It does not seem reasonable that the Wheat Board will be obligated to take from the producers as a whole more than 300 million bushels of wheat. If every farmer had wheat to fulfil the eight bushels per authorized acre quota, then we could expect to have 400 million bushels of wheat. I suggest there will not be anything like this distribution of wheat.

In other words, through operation LIFT, the minister is asking that grain farmers reduce their deliveries by 100 million to 150 million bushels unless there is an increase in the amount specified for delivery to much above eight bushels per acre, and he has not indicated to my satisfaction that he intends to do that. What he proposes will help out the storage position of the Wheat Board, but I would submit that at this time it is too much to ask the grain farmer to reduce deliveries by 100 million to 150 million bushels based on the eight bushel allocated quota. With this in mind, I have considerable reservation about grading being entirely the prerogative of the Governor in Council, and I would hope that this phase will be very closely examined in the committee.

Another important feature is the block system of moving all grain. This seems to have considerable advantages but has shown weaknesses in the movement of flax and rapeseed into export positions during the past year. There is no doubt that during this last fall flax and rapeseed sales were lost because oilseeds were not in position. One of the reasons seems to be that the block system is not too helpful in moving these relatively small quantities of grain into forward positions at all desirable times.

[Mr. Lang.]

As far as the minister's comment on the checkoff for research purposes is concerned, I will only say at this time that this should be carefully examined by the committee and that some recommendations should be brought forward. This is an exceptionally complex bill which involves very difficult phases of the Canadian grain trade. No doubt committee hearings will throw a great deal more light on the functions of this act.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, other hon. members of this party and other parties in opposition have directed their attention to some of the intrinsic difficulties in the bill and have made a very convincing case why it is so essential that this bill be subjected to the closest possible scrutiny of the committee, particularly as to its objects. I have other objections which I should like to put before the House at this time. I am not going to infringe upon the rules, but in order to make my case I must say that the objectives of the bill, as set out in large part in clause 11, constitute such a grave infringement of the traditional restrictions on the kind of power given to the government it taints the whole bill and justifies a complete review.

What are the objects of the proposed Canadian Grain Commission which presumably will administer the act. They are set out in clause 11 of the bill which reads in part as follows:

> Subject to this Act and any direction to the Commission issued from time to time under this Act by the Governor in Council or the Minister, the Commission shall establish and maintain standards of quality for Canadian grain and regulate and supervise grain handling in Canada—

This is the first part in respect of which I take grievous exception. To begin with, as I read this clause, the commission and the Governor in Council can extend these objectives beyond grain, as defined by Parliament in Part I, to include for example any seed. The clause places two duties upon the commission, each one to achieve a purpose. The clause spells out the means by which the commission is to achieve those purposes. The first purpose is to ensure maximum acceptance of Canadian grain as a commodity of dependable quality in domestic and export markets. This purpose is to be achieved by maintaining standards and quality for Canadian grain.

The second purpose is to ensure an efficient grain handling system, which is to be achieved by regulation and supervision of grain handling in Canada.

• (4:30 p.m.)

This definition of purposes and means appears to be qualified in two ways. The definition is made subject to this act and, more important, to any directions to the Commission issued from time to time under this act by the Governor in Council or the minister, as I have read from proposed clause 11. These restrictions cannot be understood unless some of the excess verbiage is cleared away. The words "subject to this act" are meaningless. In the first place, clause 11 will be part of the act itself and can hardly be subject to itself. In the second place, the words "subject to", as here used, are analogous to "not inconsistent with this act". Mr. Driedger, a one-time eminent civil servant, a deputy minister and now a lecturer of law, in an authoritative text on this subject states:

> Sometimes authority is conferred to make regulations not inconsistent with the act. These words are unnecessary. Even in their absence it would not be permissible to make regulations contrary to or inconsistent with the act itself.

In other words, under the rules of statutory interpretation, the duties of the Commission as expressed in clause 11 must be carried out by the Commission in a manner that does not violate the specific provisions enacted by Parliament elsewhere in the act. We are then left with the words "subject to...any direction to the Commission issued from time to time under this act by the Governor in Council or the minister." These words are indeed restrictive on the Commission in its duty to carry out the two objects expressed in clause 11; but they constitute a delegation of power to the Governor in Council and to the minister this is unrestricted and unconditional in terms and confined only by the title of the bill. Presumably it will be argued in rebuttal that these words are descriptive; that is, they relate to powers elsewhere delegated in the bill to the Governor in Council and to the minister. But this argument cannot be supported. In the first place, if the phrase is only descriptive of delegated powers defined in other parts of the bill, why are the words "under this act" used?

Again, it is my submission that the Canadian Wheat Board or the Commission, as the case may be, is restricted to dispose of overages as directed by the Governor in Council. This is not a provision that affects the objects of the Commission. There is indeed no need to refer to it in clause 11. The next delegation of power is in clause 78, which empowers the minister to review the Commission's refusal or revocation of an elevator or grain dealer licence and to direct the Commission to issue or reinstate a licence. This is an appeal procedure and does not run counter to the objects expressed in clause 11. I consider this to be a very serious breach of the type of parliamentary condition which should be laid down when a minister is permitted to sit in judgment and render a decision which affects the rights and liberties of the people of Canada, including those to whom a licence has been issued by the commission. The commission is given further authority with regard to the issuing of licences and the conditional revoking of licences. Then, the bill provides that from that commission there can be appeal to a political person or tribunal, without the protections which we in this country want to maintain.

I have not established this argument to the extent I might have, but I should like to make plain that I object to this granting of authority to the minister to sit as a court of appeal upon decisions of a commission. More than ever, I object to the fact that clause 11 is an unlimited, uncontrolled and improper delegation of power to the Governor in Council and the minister to make laws for any purpose they may see fit pertaining to seeds. This government has become a genius in giving to itself large chunks of power by the writing of regulations and the passage of orders in council. I have continuously objected to this procedure. I think some day the country will wake up to the fact that it has made a very serious error in giving away to a group of people, such as any cabinet or government, the right to do some of the things we have given them the right to do. But this bill would go further. In effect it would authorize the Governor in Council to legislate in respect of objects beyond those included in the bill. This is what we are doing. Apparently we are doing this quite willingly. The government backbenchers are quite happy about it. I am not. I think this is something we should regard far more seriously.

I prepared a reasoned amendment which under normal circumstances I would have moved. However, for reasons I shall set out, I do not intend to move this amendment at this time. This amendment would have been to the effect that this bill be not procedeed with now as it conflicts with the principle of this House that this House will not give the government or a minister of the government legislative power to amend or define the purposes and provisions of an Act of this Parliament or the objects of a body created by that

Act. For other reasons, I am now of the opinion that I should object to the bill generally and therefore it becomes unnecessary for me to move this amendment. These other reasons, stated succinctly, are the following. This is a money bill. As there must be, there appears on the first page of the printed bill the recommendation. His Excellency the Governor General has recommended to the House of Commons the present measure respecting grain because it involves the expenditure and appropriation of money.

Over the last few days, we in the opposition have been involved in a rather traumatic experience with regard to the opportunities which exist for the officials of this House to scrutinize and call to the attention of the House what, in their opinion, are the errors of omission and commission of the government, of government departments, of government tribunals and of Crown corporations in connection with the expenditure of money which has been voted by this House. I am referring specifically to the Auditor General. Because of the attitude taken by this government, particularly by the Prime Minister (Mr. Trudeau) and by the President of the Treasury Board (Mr. Drury) and the President of the Privy Council (Mr. Macdonald), I take strong exception to this House granting the right to this government to appropriate money unless and until this particular situation has been clarified. For that reason, speaking for myself, I am not prepared to give approval to the passage of this legislation. I shall set out as clearly and in as short a fashion as possible, my reasons for this attitude.

What is to be the fate of the Auditor General, whoever he may be, when he scrutinizes the expenditures made under the Provisions of this bill? When I refer to these expenditures I have in mind the enormous powers I have cited which give the government the right to set forth completely any objects unrelated to the proposals in the bill. What is to be the fate of that money? To what extent are we in this House, who have a duty here as the servants of the people who have elected us, to have an opportunity to conduct a searching and close examination of these expenditures? I submit that what has taken place constitutes a valid reason for me to say to the government that it cannot have these powers until it clarifies precisely where it stands on this situation. If the government introduces a money bill, it must be prepared to indicate at this time, in my view, that a clear and definite responsibility rests upon it with regard to the audit of the money which will be granted.

• (4:40 p.m.)

Let me go over this briefly. The President of the Privy Council (Mr. Macdonald), in a television interview not so long ago, stated:

> We recognize the fact that it's his responsibility to audit the accounts and to account for the manner in which the funds have been expended. We don't think it's his responsibility to give legal opinions with regard to the manner of carrying out the policies and, in particular, we don't regard it as being his responsibility to criticize the underlying policy involved in certain decisions.

Mr. Macdonald (Rosedale): Does the hon. member disagree with that approach?

Mr. Baldwin: Part of it.

Mr. Macdonald (Rosedale): What part?

Mr. Baldwin: The minister should arm himself with patience and give himself an opportunity to be educated. Then, he will probably change his views on this matter.

What about the other president who, before a television audience consisting of millions of people, supported his colleague, the President of the Privy Council when he said, in response to a question:

> Now, in this sense he's pitting his judgment as to sound business practice, sound governmental policy—

Whether or not this government could ever have a sound policy is a very debatable point. However, we will go into that later.

Mr. Macdonald (Rosedale): How would you know about sound policy?

Mr. Baldwin: The president went on to say:

> —against the government, and not unnaturally you wouldn't expect a government in every instance to agree with his judgment. I wonder myself whether the Auditor General should cast himself in this role, or whether we should look for really another kind of person to be Auditor General—

How can we in this House dare appropriate any money for this government when that is their approach to the examination, scrutiny and checking of the expenditures which the government is making? We would be delinquent in our duty if we permitted this bill to go through under the circumstances which prevail today.

What about the Prime Minister who yesterday in response to a question from the Leader of the Opposition (Mr. Stanfield) said:

I would assume that if that was said it might be interpreted to mean we want another type of function fulfilled by the person who is fulfilling the job now, not some other person.

The reference was to the Auditor General. In other words, the right hon. gentleman said yesterday, beyond any shadow of a doubt, that the government is planning a change in the role of the Auditor General. He repeated that later in response to a question which I asked when he chimed in the chorus of the two other presidents and said:

—and whether they are proceeded with with proper probity—

He was dealing with the accounting procedures.

—but with that other function, that of criticizing policy, that of criticizing government decisions, which I think is not one for the Auditor General but for the opposition.

That is absolute nonsense. There must be an opportunity for the Auditor General to criticize government decisions when those decisions represent an expenditure of government moneys which is not in accordance with the views expressed by this House, which is not in accordance with the policy laid down by this parliament. The Auditor General is a servant of Parliament. It is parliament's policies which he cannot criticize. If he did criticize a policy laid down in this House, I for one would agree that he is not doing his job.

Some hon. Members: Hear, hear.

Mr. Baldwin: But when he criticizes the government for spending money in a way not authorized by this House, then I would say he is doing his duty. However, steps should be taken against him if he fails to point out to Parliament in his annual report, and to the people of Canada, that what in fact has been done by the government is not in conformity with what Parliament has authorized. That is what the Auditor General is doing. I defy any hon. member opposite to examine the Auditor General's report and find there one iota of criticism of the policies of this Parliament. It is the policies of the government in carrying out these functions that he criticizes. That is at issue, and he is entitled to criticize them. Heaven help us when he fails to do so.

Mr. Macdonald (Rosedale): Would the hon. member permit a question? Would the hon. gentleman then explain the nature of the criticism with regard to the Northumberland crossing?

Mr. Baldwin: There was no criticism. If my hon. friend would take time to read that part of the Auditor General's report carefully, as I did several times, he will see that it constitutes a bare recital of the facts. There is not one word of criticism. It may well be that the hon. gentleman and his government do not like that bare recital of the facts because a simple examination by any person of average intelligence shows there has been some stupidity on the part of the government, but that does not mean the Auditor General is criticizing.

Mr. Macdonald (Rosedale): Was there any misappropriation of funds under those circumstances, or were they illegally applied?

Mr. Baldwin: Of course not, but I see my hon. friend wants me to throw in his face the actual provisions of the statute under which the Auditor General operates. Let me read them. Subsection (1) of section 70 of the act reads as follows:

The Auditor General shall report annually to the House of Commons the results of his examinations and shall call attention to every case in which he has observed that

(a) any officer or employee has wilfully or negligently omitted to collect or receive any money belonging to Canada,

(b) any public money was not duly accounted for and paid into the Consolidated Revenue Fund,

(c) any appropriation was exceeded or was applied to a purpose or in a manner not authorized by Parliament.

That one, for example, deals with many of the recommendations made by the Auditor General. I am not referring to the specific one mentioned by the President of the Privy Council. Many of the items in the Auditor General's report deal with cases where appropriations were applied to a purpose or in a manner not authorized by Parliament. The subsection goes on to read:

(d) an expenditure was not authorized or was not properly vouched or certified.

(e) there has been a deficiency or loss through the fraud, default or mistake of any person or

(f) a special warrant authorized the payment of any money,

and to any other case that the Auditor General considers should be brought to the notice of the House of Commons.

At the time I was chairman of the Public Accounts Committee seven years ago, the Auditor General carried on the practice which has been sanctified by time and tradition of bringing to the attention of this House any case where there may have been what he calls non-productive payments, where pay-

ments have been made which do not produce any result. It may well be that the government may try to make out a good case to say that these were productive payments. But the Auditor General has a duty, which he exercises, to bring to the attention of the public of Canada and of this House any instance where the payments have been non-productive.

The hon. member may shake his head. He should read the Auditor General's reports for the last six or seven years and he will find this has been done over and over again. As a matter of fact, for years there was a schedule attached to the Auditor General's report in which he itemized dozens and dozens of non-productive payments. Suddenly, however, for other purposes—not for this one, this is not what the government is getting at and we know this—the government has decided they do not like the Auditor General. They have an aversion to him and they dislike what he has been doing. Their sensitivities have been hurt.

Mr. Macdonald (Rosedale): Would the hon. member state any instance in which I made a personal remark about the Auditor General?

Mr. Baldwin: I am not suggesting the hon. gentleman has.

Mr. Macdonald (Rosedale): You say I have an aversion to him.

Mr. Baldwin: In his official capacity. I would think the minister likes me, but he probably has an aversion to me if in my capacity as a member of the opposition I have been too critical and reprimanded him.

Mr. Macdonald (Rosedale): Or when I have trouble getting a straight answer.

Mr. Baldwin: The minister simply does not listen. Let him not divert me. I was just getting started. I finished with two presidents, now I will finish with the Prime Minister in a minute or so.

• (4:50 p.m.)

Mr. Olson: Talk about the bill that is before us.

Mr. Baldwin: I am talking about the bill. In response to the Minister of Agriculture (Mr. Olson), I am saying that I, as a member of this House, with a responsibility to my constituents in particular, and to the country in general, have an aversion and dislike to granting to the government the right to spend money and appropriate money until they have clarified where they stand with the Auditor General. That is why I do not like the bill.

Mr. Olson: What has that to do with the administration of the Grain Act?

Mr. Baldwin: I think the Minister of Agriculture probably is a little punchdrunk as a result of his travels through western Canada and the beatings he has taken from the farmers in the west.

Now, Mr. Speaker, to polish off the Prime Minister I point out that, today, in response to a very alert question from the hon. member for St. John's East (Mr. McGrath), he admitted beyond any shadow of doubt that the government has in mind a new role for the Auditor General. The Prime Minister is going to clarify his duties. He is going to clarify him right out of existence, stopping him from being an effective weapon in connection with the parliamentary scrutiny of improper government expenditures.

This, Mr. Speaker, is extremely important. Are we in this House, under these conditions, to allow a government of this description, a government which has expressed these sentiments, the privilege of appropriating money and spending it? They have given every indication by the statements made by the President of the Privy Council, by the President of the Treasury Board, and by the right hon. Prime Minister that they are avowed and determined to secure a new Auditor General's Act which will diminish the role and the effectiveness of the Auditor General. In addition to that, no doubt they have in mind a replacement of the present incumbent. For these reasons, Mr. Speaker, I think any hon. member who will take the time and the trouble to read what has been said, to examine these comments of the ministers in question and of the Prime Minister, and to look at the Auditor General's Act under which he secures his authority, will see there is an ominous trend developing.

Here is an autocratic government avid for power, lusting not only for what power it has but for new power. All governments of this kind dislike criticism. They like to be free to hide, conceal and pigeonhole the mistakes they make. They dislike the glare of publicity which the Auditor General throws on their operations. They are trying to get rid of him and to minimize his role. For that reason it is incumbent upon us to say to them,"Until you clarify your stand and tell us exactly what you want to do, we have to be very careful

indeed." I am giving my personal views on this, Mr. Speaker, as one who has been deeply concerned about the drift in this government, as one who for some years had the honour to be chairman of the Public Accounts Committee, and as one who is greatly concerned about the direction in which Parliament is heading. I hope that the attitude I have taken will be supported by other hon. members.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, after listening to the enlightened addresses by my colleagues from Mackenzie and Crowfoot, supported by the hon. member for Dauphin (Mr. Ritchie), and now the speech we have just heard from the hon. member for Peace River (Mr. Baldwin) with regard to the legal technicalities of Bill C-196, I think the House will be impressed with the fact that all is not well with respect to this legislation, and with the fact that it is not going to be a cure-all. With respect to this revision of the Canada Grain Act, Mr. Speaker, my remarks will be brief because many of the problems have already been covered by my colleagues.

I want to serve notice on the government that the proposed revision of the Canada Grain Act in Bill C-196, referred to as an act respecting grain, is not going to be a panacea for the present economic problems facing western Canadian grain farmers. Neither is operation LIFT, or what our farmers refer to as the Farmers' Income Reduction Plan, going to be the answer, as both the Minister of Agriculture (Mr. Olson) and the Minister without Portfolio (Mr. Lang) responsible for the Wheat Board very well know.

In my opinion the emphasis being placed both on this legislation and on operation LIFT is greatly overrated, and is basically an admission of the government's failure to sell wheat. There is no doubt that the Canada Grain Act, first developed in 1930, needs updating. The legislation at that time was enacted for the protection of the producers, and set standards for Canadian wheat, which not only was recognized as the best bread wheat in the world but because of the grading system could be sold anywhere in the world by sample.

Although most of our wheat will still be sold by sample, it has become apparent that a new grading system is needed to satisfy some of our better customers as to the protein content of the grain offered. This is particularly so in West Germany, Japan and Britain, where new baking techniques are being used. In my study of the bill I failed to find any reference to protein grading, but as explained by the minister in his opening statement authority is provided whereby grades may be changed at any time by Order in Council. In fact, it is this provision giving the minister authority to make changes, allocate boxcars and generally direct the movement of different kinds and grades of grain to the terminals, that I find a little disturbing. Certainly, the government will be involved in the grain business, whether the Prime Minister (Mr. Trudeau) would like to shrug off the responsibility or not.

The bill provides that the grains Commission will have authority to licence all grain handling facilities, including feed mills, to regulate and supervise grain handling in Canada, as well as to establish and maintain standards of quality for Canadian grain, subject to directions issued to the commission from time to time by the Governor in Council, or the minister. The protein grading of wheat brings up some very interesting questions. I believe that I am right in saying that sales of wheat made in the past to the Communist countries have been in the lower bread grades of No. 3 and No. 4 Northern. Is it possible that in the future these countries will want to buy their grain on a protein basis?

I hope that in changing the grading system, and re-arranging our transportation and grain handling facilities, it will not be forgotten that practically all areas of western Canada must grow wheat as part of their crop rotation, and all grades will be needed as part of our export pattern. This is a point that was brought out last night by my colleague from Mackenzie when he opened this debate, because he comes from an area of western Canada where approximately 35 per cent of the farmers may not be able to sell their wheat under a protein grading system.

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

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are

as follows: the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas)—Industry—Criteria for payments to automobile companies; the hon. member for Halifax-East Hants (Mr. McCleave)—Agriculture—Feed Grains—Requested increase in freight rate assistance.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper, namely, Public Bills.

Mr. Forest: Mr. Speaker, it has been agreed that we would proceed with Bill No. C-38 in the name of the hon. member for Surrey (Mr. Mather).

PRIVATE MEMBERS' PUBLIC BILLS

LOBBYING CONTROL ACT

MEASURE TO PROVIDE FOR IDENTIFICATION OF LOBBYISTS, ETC.

Mr. Barry Mather (Surrey) moved that Bill C-38, respecting the control of lobbying, be read the second time and referred to the Standing Committee on Privileges and Elections.

He said: Mr. Speaker, in speaking in support of this bill, it is my intention to divide my remarks into the following categories: first, I wish to outline what the bill aims to do and what it does not aim to do. Second, I wish to cite something of the public need for this type of legislation. Third, I wish to quote from existing United States legislation in this same field and, finally, to ask that hon. members consider whether the subject matter of the bill could be sent to an appropriate committee for consideration as raw material for a useful piece of Canadian legislation?

• (5:00 p.m.)

In the first place, Mr. Speaker, I should like to quote from the explanatory notes of the bill as follows:

> The purpose of this bill is to require the identification of lobbyists, persons who, in the interest of others, seek to influence senators or members of the House of Commons to vote or use influence for, or against, a matter which may come before Parliament. Nothing in the bill restricts lobbying, paid or otherwise, or in any way interferes with the right of the public to make representations to members of the Senate and of the House of Commons. Similar legislation in effect in the United States requires that lobbyists register with the Clerk of the Legislature and secure an identification card from the said Clerk.

[The Acting Speaker (Mr. Béchard).]

The definitions and regulations are contained in a few clauses and, if I may, I should like to quote briefly what I think are the key points:

> (a) "employer" means any person who has an individual lobbying for him for compensation or expenses;—
>
> (d) "lobbyist" means a person who engages in lobbying;

That is in line with the definition described in the "employer" section. Control of lobbying requires that:

> No person shall engage in lobbying until he registers with the Clerk of Parliaments and secures an identification card from the said Clerk.

And the penalty involved for not following these regulations is a $500 fine or three months in prison or both.

I want to emphasize two things which this bill does not seek. First, there is nothing in it to discourage lobbying nor is it my intention that it should be discouraged. All that is sought here is to identify the lobbyist. Second, the bill does not apply to members of the public making representations to Members of Parliament.

As I said earlier, legislation along the lines of my proposal is in effect in the United States where it is called the Federal Regulation of Lobbying Act. I have a copy here and it sets out in detail the definitions and the regulations regarding accounts of moneys paid to lobbyists and the statements to be filed with the Clerk of their House. The key point as far as my proposal is concerned, that is the registration of lobbyists with the secretary of the Senate and the Clerk of the House, is also dealt with in detail. The United States act goes further and is tougher than what I have in mind here. The United States legislation carries a fine of not more than $5,000 or imprisonment for not more than one year, or both.

It may well be asked, Mr. Speaker, what is wrong with lobbying? Not that I seek to stop it, but what is the danger or the unfairness of it in our form of democratic society? It seems to me that an organized interest group represents a concentration of power. It is a means by which individuals, or individual units of power whether of business, agriculture, labour or such groups as, say, the Pharmaceutical Association or the tobacco industry, may seek to have or to gain a greater impact upon the conduct of public affairs. This could give such groups a tremendous advantage over comparable unorganized citizens.

I believe that to counteract this unfair advantage and to expose who is doing what, for whom, why and for how much, we need some legislation such as that which I have put forward this evening, the important point being that it would require identification of the lobbyists.

On the question of how lobbying works in Canada and in Ottawa, I have never read anything better than the comprehensive article prepared by our own research branch of the Library of Parliament which was published in the *Parliamentarian* of January, 1970. Before I quote from that article, it might be of interest to hon. members that lobbying in Canada goes back to 1858, when the Canadian manufacturers, before they had an association, marshalled their forces in favour of higher tariffs. The article reads:

> Organized pressure and interest groups often exert their pressure by means of the professional lobbyist. Professional lobbyists, as they exist in Canada, are usually experts who help interested parties, particularly businessmen, to understand the government procedures and regulations which affect them and in turn provide advice on the best course of action permissible under the existing circumstances. The yellow pages of the telephone book list these experts as business consultants, representatives, or agents. The spectrum of such lobbies includes lawyers, general representatives, and individual experts and the professionals employed by trade and group associations. The Toronto *Financial Post* suggests there are ten different categories of lobbies in Canada's capital—
>
> Estimates made in 1968 suggest there are 200 national associations that have offices in Ottawa with many companies maintaining their own man—
>
> Perhaps one of the best examples of lobbying on a large scale is found in the nationally organized Canadian Manufacturers' Association (CMA). To carry out its profusion of activity the CMA has a budget of over $700,000 stemming for the most part from dues of over 6,000 member firms which represent more than 75 per cent of Canada's manufacturing capacity—
>
> In the United States there are some 300 registered lobby groups with a membership of more than 5,000 Congressman, . . . Not counting the hidden lobbies, this group apparently spends over $5 million annually on direct lobbying. In Washington the greatest effort is directed toward individual Congressmen—
>
> The art of putting pressure on government in Canada even though employed in anonymity, usually reaches the most intensive stage when a particular piece of legislation is about to be passed. Examples of such intensity are plainly evident from the activities of the Pharmaceutical Manufacturers' Association of Canada (PMAC) in 1968 and the Tobacco Industry in 1969.

That concludes the quotations from that source, Mr. Speaker, but I should like to add a final one from an editorial in the Toronto *Star* in July, 1968, which reads:

> Canadians are entitled to know a great deal more about professional lobbies at least than is available now. It's time Canadians had a chance to know in a regular way and systematic way who they are what they are after and how much they are paying to get it—
>
> After all, it's the public that finally pays when the lobby prevails over the general interest.

That is my view exactly, Mr. Speaker, and in line with that I would urge hon. members to allow the subject matter of this bill to proceed to the appropriate committee. Inasmuch as members will recall that some months ago the Department of Consumer and Corporate Affairs was reported to be carrying out a research study with a view to promoting the introduction of legislation requiring the registration of lobbyists, I would think that this proposed legislation could be referred to the appropriate committee. If that is what the government wants, it is what I want too, Mr. Speaker.

• (5:10 p.m.)

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, it is with pleasure that I express my humble views on the legislative proposal presented today by the hon. member for Surrey (Mr. Mather).

In spite of the many interesting explanations he has just given us, I must say honestly that I am against this bill for the following reasons.

First, without being a strong supporter of the *status quo* in all fields, I suggest that we must maintain it for some time with regard to this matter.

As a matter of fact, since I was elected to the House in 1965, the problem of lobbyists who come to see members of the Commons or the Senate in both chambers or in the committees, is not a very serious one. In my view, there is no such problem.

Even if I am opposed to this bill, this does not mean that the arguments submitted by the hon. member for Surrey are not valid ones. On the contrary, he expressed himself in a sober and sincere manner; he was well documented to show the validity of his assertions. However, I wish to come back to a principle which I have often voiced in the House and which is dear to me: there is no perfect institution on this planet. In fact, we must always try to improve, to progress with the flow of the best evolutionary process, which is

an attitude becoming more and more fashionable in all fields. Furthermore, I feel that any modern man must recognize this principle and arrange his life in keeping with this evolution.

As pressures made in Canada by certain groups of people who engage in lobbying, as it is usually called, are linked to the nature of parliamentary institutions, I feel that we must consider the possibility of improving in a general and global way these parliamentary institutions as well as this lobbying.

That is why when we talk about improving our parliamentary institutions—be it the operation of the House of Commons, of the committees, of the Senate or our relations with the public—I suggest that a task force made up of independent, competent and free men should first make a thorough study of the situation.

As recommended by the member for Surrey, we must apply our energies to improve certain things in order to ensure the proper operation of the government and of our judiciary system.

If each of us tries to improve such or such an aspect of our institutions, as the member for Surrey is doing today with respect to lobbying, next another member will ask for a reform of the international organization of the House, and later another member or group of members will make representations regarding the working conditions of members of Parliament and Senators.

With all due respect to the House, I think this procedure is too haphazard. It is a little like a doctor trying to cure an organic disease which causes headaches by ordering his patient to take aspirin only. It might relieve the patient but it would not eliminate the cause of the disease. That is why I am convinced that for the moment it is better to maintain the *status quo*.

In my opinion, the House has more important duties. It would be more desirable to maintain the *status quo* until experts have summarized our needs and tried to determine how we can improve our parliamentary institutions of which we can be proud. The principles they stand for remain but parliamentary institutions could be made better, at least as far as the application of these principles is concerned.

When I refer to the *status quo,* I am thinking about lobbying, the action of lobbyists who try to influence the work of the government or even that of members of the judiciary. I think that it would be advisable to ask ourselves what our present institutions are worth and to make the necessary distinctions.

[Mr. LeBlanc (Rimouski).]

Allow me to quote Standing Order 114 concerning the role of parliamentary agents. I think, as stated by the mover of the bill, that the role of the parliamentary agents can be related to that of lobbyists who wish to influence Parliament in one way or another when a piece of legislation has to be passed.

The Standing Order in question reads as follows:

(1) No person shall act as parliamentary agent conducting proceedings before the House of Commons or its committees without the express sanction and authority of Mr. Speaker, and all such agents shall be personally responsible to the House and to Mr. Speaker, for the observance of the rules, orders and practice of Parliament and rules prescribed by Mr. Speaker, and also for the payment of all fees and charges.

(2) A list of such persons shall be kept by the Chief Clerk of Private Bills and a copy filed with the Clerk of the House.

(3) No person shall be allowed to be registered as a parliamentary agent during any session unless he has paid a fee of twenty-five dollars for such session and is actually employed in promoting or opposing some private bill or petition pending in Parliament during that session.

Standing Order 115 sets out what the parliamentary agents are liable to if they wilfully act in violation of the rules. This order reads partly as follows:

—shall be liable to an absolute or tempory prohibition to practice as a parliamentary agent, at the pleasure of Mr. Speaker; provided that upon the application of such agent, Mr. Speaker shall state in writing the ground for such prohibition.

Mr. Speaker, I was not able to present my speech as clearly as the hon. member who spoke before me as I express myself from a few notes that I had time to take down during the presentation of this bill which interested me greatly.

I noticed that in the explanatory notes of this bill, mention is made of an identification card and it is said there also that nothing in the bill restricts this kind of activity, paid or otherwise, or in any way interferes with the right of an individual to make representations. Reference is made also to a similar legislation in the United States.

I was wondering why this bill is introduced.

• (5:20 p.m.)

Listening to the explanations of the hon. member, a while ago, I understood why he wanted the bill adopted.

But, it seems to me that, for the time being, this is not very important because, when I compare the United States with Canada, with regard to political activities, I see a huge difference between the two countries in this regard.

As I said a while ago, as far as I am concerned lobbying has not been a problem here in Canada, in the last few years. On the other hand, I believe the same does not apply in the United States because I have been told that there were people over there who specialized in lobbying and made a profession of it.

Mr. Speaker, clause 3(2) states and I quote:

> The identification card delivered by the Clerk of Parliaments authorizes lobbying before the Senate and the House of Commons or any committees thereof.

Now, I thought that, at one point, the member meant groups or individuals who wanted to meet a particular senator or member of Parliament, in connection with the committees of one house or the other, I feel that under the rules now governing election agents, who are usually lawyers, those people have as many privileges as their counterparts in the United States, if I understood the explanations given by the mover of the bill a while ago.

As for the representatives of groups of farmers, workers, etc., who want to appear as witnesses before the committees of one house or the other, it seems to me that to date these arrangements were made without too much trouble and that, either on the suggestion of a member, with the approval of the committee, through the chairman or the steering committee, all those calls and those representations to the committees went on smoothly. I am not referring here to the groups asking for interviews with certain members of Parliament and with caucuses. It seems to me that up to now those calls, interviews and meetings went on smoothly because flexible and even efficient methods were used.

Mr. Speaker, I was astonished at the provisions of clause 3(3)(d), and I quote:

> To the extent that can practically be determined in advance, the money paid or to be paid or the value of any other consideration given or to be given to the applicant for lobbying and the expenditure of same.

I wonder whether we should concern ourselves with all that since we are so proud of working and acting in a climate of freedom, the Canadian Parliament being one of those that respect the most group and individual liberties.

In fact, since we still believe in the free enterprise system which has made it possible for us to build a country of which we are proud, I wonder why we do not let a group, a private company or another organization give the people representing them the expense allowances they want, provided such lobbyists abide by the rules, and by the general principles concerning respect of laws and moderation.

• (5:30 p.m.)

On page 3, of the bill, one can read this:

> (4) All applications and registrations shall be open to the inspection of any Senator, Member of the House of Commons or any member of the Press Gallery in Ottawa.

I appreciate that in our country, as also in the whole western world, the press plays a substantial information role.

Despite all the respect I have for the members of the Press Gallery, I wonder why one of them should be appointed to review applications and registrations, and the more so since, sometimes, some lobbying may be somewhat confidential.

I wonder why the members of the Press Gallery should be specially mentioned, besides senators and members of the House of Commons, and why reference should not be made also to members of some other organizations. The following subclause reads as follows:

> (5) It shall be the duty of the Clerk of Parliaments to have published in the *Canada Gazette* the name of each registered lobbyist.

I know that matters of discretion are always present when it comes to the freedom of groups which are not always interested, for serious reasons, particularly at the beginning of certain endeavours relating to big interests in the public field, and where some indiscretion might prove prejudicial.

As for the registration which shall take place in the first week of each session of Parliament and shall terminate with the prorogation, I for one know well as the hon. gentleman who has just spoken that nothing prevents lobbying. However, a lobbyist wishing to be duly heard in Parliament would have but one week, at the beginning of each session, to comply with the requisites. If this clause were passed, we would cause considerable harm and we would go against progress in many fields in Canada, because we all know that during a session, different problems may come up for reconsideration for various reasons which need not be mentioned.

Everyone here is aware that for many reasons, a month or two after the beginning of the session, or toward the end of a session, it may be in the public interest that lobbyists come to make representations to their member of Parliament. As for the penalty; the bill provides as follows:

—five hundred dollars or imprisonment for three months, or both fine and imprisonment.

I am still wondering why the hon. member imagines that anything so serious can take place in this field as to call for a $500 fine or imprisonment for three months or both. Furthermore, he refers to the case of a Canadian citizen, remunerated or not. What difference does it make whether a Canadian citizen, to act in this capacity, is remunerated or not? If someone has lobbying to do, it can be presumed that he will not be remunerated. However, when a company or a group has representatives lobbying on its behalf, we all know that remuneration is normal.

What about groups such as the Catholic Farmers' Union in eastern Canada—the area where I come from—which having to make representations to the Canadian legislators, would be subject to these rules, whatever remuneration is paid to its representatives, or even whether or not it is represented.

There are very important pressure groups in Canada. The hon. member for Surrey (Mr. Mather) has already indicated it to the House. I think there is no need to remind hon. members that these groups are made up of persons who are endeavouring most of the time—if not all the time—to get the Canadian government to take action in their interests, and that without going against the public interest, enabling us nevertheless to get to know the needs of Canadians.

[*English*]

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but I am afraid his time has expired.

Mr. James A. McGrath (St. John's East): Mr. Speaker, first I should like to compliment the hon. member who has just resumed his seat, and the distinguished government whip who must be one of the most successful and industrious lobbyists in Ottawa. I say that because it takes real lobbying to get some of these very worth-while private members' bills talked out. Today we have witnessed an example of a really professional lobbyist at work. The government whip could not have picked a better member to make such an eloquent but lengthy speech, though I am still not sure whether or not he supported the principle of the bill.

I am glad to see the government House leader in his seat, because I think it is about time Parliament took a long, hard look at the provisions relating to private members' hour and private members' legislation. The order that we are debating this afternoon seeks merely to refer Bill C-38, an act respecting the control of lobbying, to the Standing Committee on Privileges and Elections. At that committee the bill would receive the type of detailed examination and study that the subject deserves, the speech that has just concluded could more properly be made, the questions the hon. member has raised could more properly be directed to witnesses who would appear before the committee and the whole subject of lobbying in the Parliament of Canada could be studied in depth. Unfortunately, we go through this meaningless charade where the government whip, the champion of all lobbyists, musters government troops to talk out private members' bills which then die on the Order Paper.

• (5:40 p.m.)

I disagree with the principle of the bill. I believe that lobbying is a legitimate part of the democratic function. I see no reason why we should create another privileged group in Ottawa by bringing in legislation making it mandatory for those engaged in the process of lobbying to register with the government. Lobbying is a legitimate exercise and a very useful function; for example, legitimate organizations have offices in Ottawa which do very good work keeping Members of Parliament informed as to various things going on within the industries they represent. In this connection I think of the Fisheries Council of Canada. Surely no one would suggest that this organization should register as a professional lobbyist. I think also of the Grocery Products Manufacturers' Association of Canada. Both these organizations have their offices in Ottawa.

My main point is that this is a subject which deserves the type of study and examination which can be given only in committee. Therefore, I find it difficult to understand why a bill of this nature should be subject to the influence of the government whip and talked out. If the government agreed to refer the bill to committee, we would then be in a position to examine the whole question of lobbying in Ottawa. Perhaps there might be a case for having lobbyists registered, although

I am not convinced there is. This is one of the things committee examination would bring out.

I suggest there is a case to be made for having a private member's bill of this nature, serving a useful function in spotlighting this subject—if private members' hour is of any use—sent to committee. The government must take a hard, long look at such bills and at least refer them to committee where they can be examined. When such bills come back to the House at the report stage or for third reading, the government whip could then do his work and they could be talked out.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, it is always a pleasure to engage in debate on a private member's bill introduced by the hon. member for Surrey (Mr. Mather). Over the years I have had the pleasure and privilege of engaging in debate with him during private members' hour in respect of a number of bills and resolutions he has presented. It is therefore with pleasure that I take a few minutes this afternoon to again engage in debate with him.

[*Translation*]

Mr. Speaker, I always enjoy listening to speeches by my colleague the hon. member for Rimouski (Mr. LeBlanc), because he speaks clearly and slowly enough to allow a beginner like me to understand him.

[*English*]

Having handed out these bouquets, I regret very much having to say to the hon. member for Surrey, a fellow British Columbian, that this is a pretty funny bill.

An hon. Member: Then say something funny about it.

Mr. Deachman: Clause 2(e) of the bill provides as follows:

> "promoting", "advocating" and "opposing" means any act, speech, communication or conduct within the Parliament Buildings on the part of a lobbyist which influences or is intended to influence a Senator or a Member of the House of Commons to vote or use his influence for or against any matter which may come or is pending before either House of Parliament or any committee thereof while Parliament is in session.

I wonder what is meant by the word "influence". I do not feel when someone comes to me and gives his opinion in respect of a matter before the House of Commons, or if I listen to an explanation from someone who is making representations before a committee of the House, that I am necessarily being influenced. I am gathering knowledge which in due course may assist me in making up my mind. I do not believe I am being influenced or that I am under the influence of anybody or anything.

Mr. McGrath: Is ten minutes enough time?

An hon. Member: He is not under the influence of the clock.

Mr. Deachman: Nor am I under the influence of the hon. gentleman. I never pretend that I have influence to use for or against any matter which might come or be pending before either House. I think the word "influence" is badly chosen and I should like the hon. member to have another look at that clause and come back to the House on another occasion, as I am certain he will, and present his bill. I refer particularly to clause 3, the only operative clause in the three pages of this bill. It is very short, comprising four lines. It tells us what this bill is going to do, and provides:

> No person shall engage in lobbying until he registers with the Clerk of Parliaments and secures an identification card from the said Clerk.

That is all this bill would do. The man comes in and says to the Clerk of Parliaments, "I am a lobbyist, pure and simple. I am here to promote, advocate or oppose something and I am hoping to influence"—as it says in the bill—"Senators and Members of the House of Commons. I want a card to do this." The Clerk of Parliaments gets out his pen and his little stack of lobbyist cards, writes on one of them the name of this gentleman, gives it to him and then he performs his lobbying.

Mr. Orlikow: Mr. Speaker, would the hon. member permit a question?

Mr. Deachman: Yes, I would be delighted.

Mr. Orlikow: The hon. member left out a small but very important fact upon which the lobbyist would have to agree when he asked for this card. That is, he would be saying in effect, "I not only want to promote such and such, but I am being paid to promote it." Is that not a fact, under the provisions of this bill?

Mr. Deachman: I am not sure that is so, but I will look at the bill and see what it says.

Mr. Orlikow: Why don't you read it before you talk?

Mr. Deachman: It simply says that no person shall engage in lobbying—not lobbying

for hire. It says that lobbying means the practice of promoting or opposing the introduction or enactment of legislation, and that a lobbyist is a person who engages in lobbying. Nowhere does it say that a lobbyist has to be hired for what he does, or receive money. Perhaps my friend could show me in the bill where it says that a lobbyist has to receive money in order to qualify to see the Clerk of Parliaments and ask for this card. I do not think the hon. gentleman, who sits with the hon. member for Surrey to assist him, can point out in the bill now before us where it says a lobbyist must receive an indemnity for his work.

• (5:50 p.m.)

Mr. Orlikow: On a point of privilege, Mr. Speaker, since the hon. member is questioning what I said I would ask him to re-read clause 2, the interpretation clause, because I suggest it provides precisely what I said.

Mr. Deputy Speaker: Order, please. I remind hon. members that we are debating second reading of the bill. The practice, which has always been vigorously enforced by the Chair, at this stage is that we discuss the principle of the bill. I would not like to see this interesting discussion, which should be saved for the committee stage, pre-empted at this stage.

Mr. Deachman: I am very glad indeed, Mr. Speaker, that you have brought this point to mind, because I am about to pass on to a discussion of another aspect.

Mr. McGrath: There is nothing left to discuss.

Mr. Deachman: This afternoon I went to the Parliamentary Library to look up some works on the subject of lobbying. It would astonish hon. members to know that there are in the Parliamentary Library about 40 books on the subject of lobbying. There is a shelf of these books as long as the arm of the hon. member for Surrey, and he is a tall fellow. Practically without exception all these books were written in the United States, because that is where lobbying has developed to a very high science, a much higher science than we find here. In the United States, particularly in respect of committees, there is very intense lobbying.

Here the procedure is much simpler than in the United States Congress. Lobbying in the United States has developed to a very fine art compared with lobbying in Canada or even in Great Britain. One reason, of course, is that the United States is a large country with great riches and groups of people, companies and organizations are very interested in the influence they can bring to bear on legislation.

I brought into the House of Commons this afternoon a text entitled "Co-operative Lobbying—The Power of Pressure" by Donald R. Hall. This is a very recent book on the subject of lobbying in the United States. It is very interesting to read a paragraph or two concerning what this man has to say about the practice in the United States. He says:

> The lobbyist is both artist and scientist, a person of whom high standards are demanded. His education and income compare favourably with those of other white-collar professionals in America. The elite among lobbyists are public figures, socially acceptable in high places, often the confidants of Presidents and other high officials.

There is a little paragraph in which he tells about one of these individuals. I know it would be of interest to the House if I were to pinpoint exactly what he means when he refers to this type of person. I read from page 8 of the text:

> The most "in" lobbyist in Washington these days is a highly social specimen. Tall, white-maned, mild-mannered Dale Miller is a genuine son-of-a-lobbyist whose father got Lyndon Johnson his first Washington job as secretary to a Congressman. He has been the President's friend for 30 years.

Mr. Mather: Mr. Speaker, would the hon. member permit a question?

Mr. Deachman: I would be very glad to.

Mr. Mather: As much as I like helping the hon. member talk out my proposal, I wonder whether he wants to put himself and his organization on record as holding back a proposal which is merely to send to committee a proposal in respect of identifying lobbyists.

Mr. Deachman: Mr. Speaker, I do not think any member of the House of Commons would want to hold back debate. At a time when I am taking part in a debate I am astonished that the hon. member would say I would withhold it. In fact, it is my desire only to see that we debate this subject as long as Your Honour will permit the debate to continue. I continue reading the quotation:

> Miller has had it all: a bridge for which he secured $600,000 in federal funds has been named after him; his daughter works on the White House staff; his wife Scooter has replaced Perle Mesta as Washington's most adept hostess; the President tabbed him to be his inaugural chairman; and the Johnson daughters call him "Uncle Dale."

That shows the extent to which lobbyists go in their effort to influence legislators in Washington. I conclude by reading the following:

"I think", he says, "a person acquires influence in Washington through integrity and effort—not through contacts." Mr. Miller does not say, however, whether he believes in a flat earth and werewolves.

An hon. Member: Question.

Mr. Deachman: I do not want to come to the question for a moment; I believe there are speakers to follow me. I want to read something which I think hon. members will find extremely interesting because it shows the extent to which various associations in the United States are interrelated in the process of lobbying the government. The title of this chapter which appears at page 172 is "Methods of Intergroup Co-operation". It shows the extent to which various associations are allied in presenting their case to the government.

Mr. Deputy Speaker: Order, please. It being six o'clock, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CANADA GRAIN ACT

ESTABLISHMENT OF COMMISSION, PROVISIONS RESPECTING GRADING, LICENCES, ELEVATORS, ETC.

The House resumed consideration of the motion of Mr. Olson that Bill C-196, respecting grain, be read the second time and referred to the Standing Committee on Agriculture.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, when the debate on Bill C-196, an act respecting grain, ended at five o'clock to allow for private members' hour I was commenting on the remarks made previously by the hon. member for Mackenzie (Mr. Korchinski) who was seriously concerned about a large number of our western wheat farmers who might find themselves in a low protein area if proposals in the bill are brought into effect. He had a very valid point and I would like an explanation from the minister as to how these farmers would be treated if they should be limited to the sale of wheat growing in those areas and were not able to conform to the level of proteins set forth in any of the new grading systems.

Any government decision to phase out wheat in certain areas for some mythical supply management theory would be repugnant to the average western farmer who has found little to be happy about in decisions supposedly reached on his behalf by those in authority at the federal level. Recent discoveries which show that protein content in grain can be successfully increased by the application of nitrogen at the proper time would indicate that farmers outside the Palliser triangle will be able to grow top-grade wheat under protein grading. Will these farmers be protected under the new block system? Any program, such as that under the Canada Grain Act, must be fair and equitable to all farmers, just as the initial Grain Act was. It was accepted by the producers as a boon to western agriculture when it was enacted. Let us hope now that the new act can achieve the same wide acceptance.

Has the government taken note of a resolution that was passed by the Canadian Federation of Agriculture at its annual meeting in 1969 in Quebec city which might have some bearing on the problem of income to the lower protein areas? I should like to quote as follows from one of the resolutions passed at that meeting, listed under section 8 and entitled "Grain production and grading":

(a) Varieties

Whereas there is a potential market for non-bread wheat for human consumption as well as for livestock feeds; and

Whereas there is a need for higher yielding coarse grains;

Resolved that the Canadian plant breeding efforts be intensified toward achieving the objective of higher yielding varieties:

(a) of grains within the present quality standards;

(b) for higher yielding coarse grains;

(c) for non-bread wheats for human use and livestock feed.

However that no such varieties be licensed unless such varieties are readily distinguishable from the high quality wheats presently licensed and have been adequately tested.

(b) Grading

Whereas there seem to be far too many grades of grain in the Canadian system of grading (in the case of wheat there are over 200 grades); and

Whereas we believe that we could get along with a much smaller number of grades, thus relieving the storage problems in our elevators and terminals;

Resolved that we request that the Board of Grain Commissioners review the present grading system with a view of reducing the number of grades.

This follows the line of some of the testimony we heard in the Standing Committee on Agriculture when we travelled across western Canada last year. At present I am in favour of a serious look being taken at our grading system, but let us not go overboard and think that it will be the complete answer.

I feel that the government has been very lax in the area of market research. This problem was emphasized a year ago last March at the conference of the Agricultural Congress when a report was tabled suggesting we were way behind some of our competitors in market research, that Canada should have a competent body which could advise farmers at least five years in advance what the consumer demand trends were likely to be for various agricultural products, and that we should govern ourselves accordingly. In other words, it is too late to close the door after the horse has been stolen. That, in effect, is what the government is now trying to do by way of a crash program.

• (8:10 p.m.)

The Agricultural Congress suggested that we might have to cut back some wheat acreage over a ten-year period, but no suggestion was made that a program should be carried out such as the present administration is trying to force on western farmers. Like other western members, I have never seen our agricultural industry in the state of chaos it is in today. Farmers are faced with highest machinery costs, highest land taxes, highest interest rates, and the highest cost of living in history, not to mention the lowest returns related to input costs.

Now we find that contrary to what the minister has stated, and to add insult to injury, our neighbouring American farmers in North Dakota and Montana are stepping-up their hard wheat acreage this year by as much as 10 per cent or 15 per cent, according to some reports emanating from across the line and coming into my riding which adjoins the U.S.A. in that area. It is no wonder that our farmers are confused with a program like Operation LIFT when they see U.S.A. farmers stepping-up their production of hard wheat, laughing at Canada behind our backs while we withdraw production and fiddle around with amendments to the Grain Act instead of doing something more positive.

[Mr. Southam.]

This bill, in the course of the next two years, may assist us in a more or less superficial way to increase wheat sales in some of the world markets, but what the government ought to be doing now is injecting at least $150 million into the western farm economy on a straight acreage payment system, with no strings attached, to tide farmers over this emergency, especially in view of the fact that grain farmers will not receive any final Wheat Board payments this spring. The government owes our farmers this, in view of its partial responsibility for the collapse of the International Wheat Agreement at the Kennedy Round talks in Geneva and for the resulting loss of wheat sales and lower prices.

My next suggestion is that another $30 million or $40 million should be immediately placed at the disposal of XCAN to set up a sales force around the world, to carry out a function similar to that undertaken by sales firms like Dreyfus, Cargills and Bungys. These sales people should be placed in about 50 countries on a salary plus commission basis, and should be supported with far more flexible trading policies, in so far as wheat is concerned, than is now the case with the Wheat Board. I want to go on record as saying that I have always supported the Wheat Board and the system of orderly marketing, but the Wheat Board can be no more effective than the government policies which back it up.

My next suggestion, which I think may be the most important, is one that I have made previously. It is that our Prime Minister, his Secretary of State for External Affairs (Mr. Sharp), the Minister of Agriculture and the Minister without Portfolio responsible for the Wheat Board should journey to Washington, and behind closed doors without benefit of press, radio or television discuss with President Nixon and Clifford Hardin, the U.S. Secretary of Agriculture, the very sensitive area of price-cutting under the IGA. The U.S.A. and France have been the chief offenders in this regard, and it is high time it was impressed on them that they should carry out the agreement on pricing wheat under the IGA rules. This action would not only be doing a favour to Canadian farmers but to the farmers of Australia, Argentina, France and the United States as well. The floor and ceiling prices under the original IWA worked for 18 years and can easily be made to work again if united action is taken to make them work.

I do not think for a minute that consumers expect primary producers to subsidize them by producing basic food commodities at less than cost, and I am sure that Canada cannot compete in a price war with the United States, especially when the U.S.A. consumes about 85 per cent of its wheat production whereas in Canada the figures are just the opposite.

In closing, Mr. Speaker, I again emphasize that the mere changing of our grading system is no guarantee that we will automatically increase our sales of grain. I agree that we must be prepared to meet competition in highly competitive situations. If changing the act will make it easier for us to meet our customers needs, that is all to the good; but the fact still remains that the cash position of the western farmer will not improve appreciably until he can move his grain into commercial positions. Until then the farmer is going to find it increasingly difficult to finance his operations, or indeed to stay solvent under present conditions.

Mr. Stan Schumacher (Palliser): Mr. Speaker, I am hesitant to impose on the time of the House at this stage of the bill, but I believe that on occasion more time should be taken in an effort to attract the minister's attention to the problems faced by the western grain industry, because the government does not seem to be taking any effective steps to meet the problems that exist in western Canada, problems which have resulted in a real crisis in western agriculture.

The big problem is that grain is just not selling, and nobody on the government side seems to want to talk about sales. They want to talk about inventories; they want to talk about grading; they want to talk about several other really minor items, but they refuse to get down to the basic problem which is the selling of wheat. As long as that problem is ignored, none of these other government measures will be of any use. To a large extent the low sales have been caused by the total failure of the government to handle our grain properly, and in some instances to move grain that has already been sold. We have had examples of ships coming to Canada to load grain that had been sold, but they had to leave empty because they were unable to receive their cargoes, either through sloppy labour-management relations at the terminal elevators or because the government could not properly organize the box car situation and have the grain on hand when it was needed. As I said at the outset, Mr. Speaker, this has resulted in a severe crisis in western Canada.

As has already been pointed out by other speakers, farmers are now getting the lowest income from grain that they have experienced in a good many years. At the same time, as is evident from the DBS figures released today, their costs have certainly not declined in proportion to their income. We now find that the government, with all its great brain power, has been successful in coming up with only two rather piddling projects to solve this major problem. The first is Operation LIFT, which I believe has been correctly lettered. I believe the National Farmers Union, instead of calling this program "Low Inventories for Tomorow" is calling it "Lower Income for Tomorrow." I think that is the proper appellation to give it because it will certainly not result in any increase in the farmers' prosperity.

In my view we are experiencing today a completely medieval approach to agricultural problems. That is what they used to do back in the Middle Ages in an effort to control the prosperity of people in Europe: they used to withhold production in order to keep prices up. Surely that is no way to approach agricultural problems today, or any of the other problems of the country. Canada needs production; it does not need restraint on production—but this is what the government has been doing with Operation LIFT. This program will not result in any injection of cash into the western farmers' pocket. In order to obtain money under it he has to do some summerfallowing; he has to pay the labour and other expenses involved in that and he also has to pay his land taxes. How will this program put extra purchasing power into his pocket?

• (8:20 p.m.)

I suggest that if the government was sincere about assisting the western farm economy—and I suggest they have not been sincere—they would have used the $140 million which they said they were going to inject into it, to subsidize the export of our grain. In this way we might have recovered some of the markets lost through their gross inefficiency in the handling of the agricultural affairs of this country. At one time we had 40 per cent of the world export market of grain, but it has now shrunk to 17 per cent or 18 per cent through the carelessness of this administration. One of the most effective ways to recoup our loss would be to use this money to subsidize exports.

The government could also have made some useful changes in the quota system of grain had they been really interested in lowering the production of wheat. As the quota arrangement now exists there is a positive incentive for farmers to grow wheat. At its initial price, a bushel of wheat is worth between $1.20 and $1.25, whereas a bushel of barley for example is worth only 60 cents, yet a bushel of barley uses up the one-bushel an acre quota of the quota book the same as a bushel of wheat. The government could demonstrate its interest in wheat reduction by rewriting the quota regulations to allow farmers to grow whatever is most efficient. Certain areas of the country can grow barley much more efficiently than wheat, but the farmers are forced by government regulation to grow wheat in order to maximize the income from their land. Therefore, to a large extent we have the government artificially stimulating the production of wheat whilst at the same time trying to reduce it through the ridiculously stupid operation called LIFT. The government could do this without legislation such as Bill C-196. This is but another arm of their weapon against the farm program and against farmers in general.

Mr. Speaker, this bill will not achieve much in solving the problems of the farmer. It was heralded as a means of obtaining protein grading, but I suggest we do not need a bill the size of this one to achieve that, and I question whether it is a significant step forward in the marketing of our grain. The same result could surely be obtained by an amendment to the present legislation, the excellence of which is proven by the fact that it has remained virtually unchanged since 1930. However, it appears that the government is taking advantage of the problems created in large part by itself in order to justify the introduction of legislation such as Bill C-196.

To my mind, Mr. Speaker, this bill will go a long way toward regimenting the western farm economy. Apart from removing the control for grading of grain from this chamber to the cabinet, the bill will give the government power to licence all forms of grain handlers including truckers, railroad companies, grain elevators and feed mills. I suggest that this type of legislation is totally unnecessary and is laying the groundwork for another incursion by the government into the day-to-day affairs of its citizens. This, Mr. Speaker, is what this government seems to do at every opportunity.

I do not see any reason why the regulatory body to be established by this legislation should be required to issue a licence to a farmer who wants to transport his grain from one province to another for the purpose of processing, when he intends to haul it back for use on his farm. As I read the bill, that power will be given to this regulatory agency.

I think that all we are doing here is expanding a bureaucracy which has already grown beyond acceptable limits. Surely the Canadian Wheat Board as presently constituted is greatly overstaffed, and savings and efficiencies could be effected there. It should look after the marketing of wheat and not be concerned with the other grains such as barley, oats, flax, rapeseed and others.

In my view, Mr. Speaker, this bill reveals the government's lack of faith in the market economy. The government does not believe that people are capable of looking after their own affairs and can plan and conduct their activities for their own advantage. The bill lays the groundwork for another large, government bureaucracy and I think this House and Canadians at large will regret the day it delegates more authority to the executive in this regard. When considering this measure the committee should be very careful not to allow these tendencies to go any further.

Mr. F. J. Bigg (Pembina): Mr. Speaker, during the last 12 years, any time the subject of agriculture has come before the House I have argued in favour of protecting the small family farm. With the large international grain market in the past I have felt, perhaps with some justification, that the large farm was in quite a good position. However, with the collapse of the world wheat agreement the whole agricultural structure of western Canada has come down in ruins. I can no longer attack this problem, therefore, from the narrow concept of giving a guaranteed income to the family farm.

I do not think this bill will get to the root of our problem though, in fairness, perhaps it is not so designed. The problem in western Canada is the collapse of international markets. The attempt to produce high quality grains may be a partial answer, and I compliment the government in this regard, but the problem is much bigger than that. I do not apologize for enlarging the thought, because this is our only opportunity to give the government the benefit of the experience of most of us from western Canada. Most of us have been raised on the farm. We have been at one time or another actively engaged in agriculture and we have had to think about it a

great deal. We have spent lots of time riding the plough or working on the farm.

• (8:30 p.m.)

Agriculture is a way of life farming people do not want to give up. They are willing to co-operate and accept leadership of the proper kind. They are willing to take risks along with any other industry of the world, and they have done so. They have become efficient. They were told they had only to become bigger and everything would go well. These are not partisan remarks at all, because all governments so far have gone along with this policy. Farmers over the years have been encouraged to take out large loans and become bigger and more efficient. We have become efficient and now we have a large production; I will not say overproduction because I think people farming the grain fields of western Canada have a duty to perform, that of feeding a hungry world.

The problem is not just one of satisfying grain farmers and their concern for their farms. The question is, are we as a nation and is the government as a government doing everything possible to eliminate not only the grain farmer's problem but a very serious world food problem by encouraging the production of the very best, hard, red spring wheat with which this bill is intimately tied up and which can be used in eliminating hunger?

I think we have to look a little beyond this bill. We have to look at an idea which is not new; it was trotted out ten years ago and has to do with a world food bank. If we are to have a world food bank we must have storage facilities. I cannot think of a better place than Canada to store grain that is to be distributed on a worldwide basis. Mr. Speaker—I say this knowing the minister is listening—I think we should improve our grain storage facilities far beyond what they are today, especially if we look ten years ahead and pay attention to stories of the horrors of the growth in world population.

Ten years from now, instead of telling farmers to curb production we may be looking desperately for open fields and sunny places on the surface of the earth where we can grow good, hard, red spring wheat in order to feed the hungry peoples of the world who will have increased by 1.5 billion or 2 billion. They will need more food. So any long-term policy we have should look not only at immediate profits for western farmers but should examine this whole problem from the point of view of a world citizen. I do not think it would be idle dreaming to say that perhaps defence money could be spent, and sensibly spent, in developing a world food bank. Incidentally, a world food bank should not be concerned only with wheat; it should be concerned with pork products, fish and all other foods. Anything connected with food for humans should be integrated into a world food policy. Because this concept is relatively new and has never been tried on a global scale is no reason why Canadians should not be foremost in its development.

We cannot afford the moon race, we may not be able to afford an armaments race any more, but we can certainly make a great effort to fill the empty pantries of the world. This might be, as the world population explodes, the greatest contribution we can make and will be far better than any pious talk at the United Nations. Speaking under the shelter of the eagle's wing, we mumble about place in the world. We cannot do anything about it anyway, but we can do something about feeding people. So I think we should take a very serious view of establishing a world food bank.

This is not to say we should do less with regard to the project now being considered. I think it does not go far enough. I think a great deal more research must be done to determine exactly what kind of grain we should produce in future. But I am entirely opposed to the idea that we should put land back to fallow as long as there are so many hungry people in the world. I do not think it is beyond the imagination or organizing ability of the Canadian people to find a solution to both these problems at the same time. I do not think enough research has gone into our export needs.

Let us not consider our wheat only from the point of view of its high protein content or milling quality. Let us take an imaginative view of it in relation to the control of pollution. I understand, and I stand to be corrected, that if we produced a fuel for automobiles which contained 50 per cent grain alcohol, we could reduce air pollution in our cities by 75 per cent. There is an answer to the wheat surplus. No commodity is more efficiently utilized in the production of grain alcohol than wheat. It does not necessarily have to be high protein wheat. We have experience in western Canada in the production of this commodity. We might produce it on a commercial scale and surprise people. To add a little levity to my speech, in case people think

I am being too serious, let me say that we have in Canadian industries some experience in using alcohol in this regard.

I am quite sure that grain alcohol can be produced as cheaply, if not more cheaply than gasoline. If the gasoline we are using, which is polluting our atmosphere, could be diluted with good grain alcohol, if in North America the fuel for internal combustion engines were to consist of 50 per cent grain alcohol, North America would be able to utilize the total wheat production of Canada. That is why I say this bill does not go far enough and is not as imaginative as it might be.

I mentioned storage facilities. They are important because, provided we can recover the markets we have lost and enlarge present markets along the lines I have suggested, these facilities are necessary in order to move our grain efficiently to the markets of the world. Another thing which leaps to my mind is this: we should develop more efficiency in transporting grain from the farm to storage facilities and from storage facilities, wherever they may be, to tidewater.

With unemployment rising rapidly—in this regard I disagree within the Prime Minister (Mr. Trudeau), because I do not think unemployment in itself has any virtue—I think we would do well if we put thousands of people to work building up-to-date, modern and ultramodern facilities in transportation and in storage. In this way we would be able to compete with sellers of grain whether or not it was high protein. Of course, in most cases the storage facilities would be the same whether the grain was high or low in protein.

There is a crisis in agriculture, Mr. Speaker. I am not speaking so much about the crisis in other branches of agriculture; I am speaking primarily of the grain industry. I do not do this with any shame because that industry, so far as western Canada is concerned, is the key to the whole agricultural economy. Our farmers cannot stay in business if inflation continues to rise at the rate of 5 per cent per year. At present there is no solution for this. This is what I heard today over the radio, and I see no reason to doubt it. The farmer is not receiving, nor is he hoping for a 5 per cent increase in his selling price. There is only one way he can hope to remain in business, and that is by cutting down his overhead.

• (8:40 p.m.)

During the past week I received several long-distance telephone calls from irate and desperate farmers concerning the loans which we thrust upon them a few years ago. From time to time the Minister of Agriculture (Mr. Olson) and I have had verbal exchanges in the House. The minister was very keen to boast about the hundreds of millions of dollars loaned at very reasonable rates of interest in order to assist our farmers. These farmers begged me to do what I could—and goodness knows how little that is—to at least maintain the rate of interest at which they borrowed this money. In a great many cases they have no income whatsoever, yet the interest rate on government guaranteed loans is being increased by the banks from 3½ per cent to 7 per cent more than the original rate. No such boasts were made in this House, on the hustings or in the Department of Agriculture generally when the farmers were encouraged to take advantage of farm loans and participate in our growing agricultural industry. These farmers now face a situation of no markets and an increasing interest rate on loans. They are desperate and have asked me to do something about it. What can I do but appeal to this House, through Your Honour, and ask that something be done? These farmers believe we can do something. They believe we have the right to set interest rates because of the change in the ceiling of interest rates a year or so ago.

At that time the public was informed that if we removed the ceiling on interest rates, money would flow freely into the proper channels and people who needed loans would be able to borrow at a reasonable interest rate. Money was being loaned at exorbitant interest rates by the loan sharks. I am receiving long-distance telephone calls from farmers complaining that the government is not renewing their loans at the original 5 per cent or 6 per cent rate of interest; the banks are now demanding 8½ per cent to 12 per cent interest. In some cases, because they are in financial straits, farmers must obtain permission from the minister to renew their loan so that the banks will not foreclose. Farmers who have some security in mixed farming are being forced to sell their cattle because they cannot sell their grain. This is necessary to pay off the loans which were obtained only a few months ago when the government was boasting about the hundreds of millions of dollars available to the people of Canada. The farmers were told that they never had it so good. Apart from droughts and acts of God, the farmers never had it so bad!

Farmers were encouraged to become larger in operation and more efficient. They were urged to purchase the farms of inefficient

neighbours, to plow the land more efficiently and to use fertilizers, which were bought with cash. It is not necessary to be Jeremiah to see that these people are now starving in the midst of plenty. They owe "x" number of dollars, no money is being earned and the banks are asking to be paid. These people are becoming alarmed.

Are we to assume that the financial institutions of Canada have more influence on this House than farmers who are in these terrible straits? Parliament encouraged these people to get into this unenviable position. Some of these farmers had a small quarter-section of land; the mother and the children helped with the chores. They were encouraged to become more efficient and to grow more bushels per acre of better quality grain. They were told that this benevolent government would see to it that everything would be fine.

For 12 years I have been begging the government to obtain markets. The government has become deeply embroiled in the agricultural industry and is now telling farmers how to run their business, even though they know a great deal more about it than the government. I suggest it is time for the government to pick up the tab. Anyone can make sales when you have unlimited markets. It is possible to make money selling hot-dogs to a large crowd of fairgoers on a sunny day. However, the storm clouds of competition are now upon us. World markets are no longer forced to rely upon us; they have become very competitive.

It is necessary to streamline our policies. We must do more than produce high quality grain. We must do a great deal more than simply amend the regulations which state how the grain shall qualify for market. We need salesmen. These salesmen should be in a position to sell good quality wheat at reasonable, world prices. It must be worth while for our farmers to produce grain. If the world wheat agreement has broken down, we are a free agent and can no longer rely on that agreement. We must determine whether Canada will again participate in a world wheat agreement. If the old agreement is out of date, I suggest there should be a new one along the lines I have mentioned. It should be based on the need to fill hungry stomachs. Canada can pioneer in this field. This can be compared with defence: it is better to spend a billion dollars a year to feed hungry people than manufacture useless weapons of war, nerve gases and all the other things necessary for the game of war. This game is tied up with the subsidizing of privately-owned factories producing weapons of war.

• (8:50 p.m.)

Any institution that is conducive to poverty in this country is a menace. In this regard I think a great deal more homework must be done. From the short-term point of view I would suggest to the Minister of Agriculture that he convene a national conference of farmers to decide just where the farmers are going in agriculture today, what should be our long-term policy, what should be our world policy in agriculture, what our national policy is going to be, our provincial policy, and what the farmers themselves are going to do about all this. Any negative policy that asks farmers not to be farmers will not work. A policy must be devised, even at the eleventh hour, that will show the farmers how they fit into their job of producing food for people. If we are sincere, I think problems of price, storage, transportation and grading will fall into their proper place.

I firmly believe that there is and always will be a great future for agriculture. I believe that the efficient farmer is the man who loves his job and his land the farmer who is more interested in his way of life than in so-called dollar efficiency; the farmer who finds farming the most satisfying way to earn his daily bread. I suggest any government policy that tells farmers to leave their land fallow is inadequate even in the short-term, and certainly over the long-term. It is not only against humanity but against nature. When policies are inhuman and do not take into account human values, when your policies try to put dollar efficiency ahead of enriching individual human life, such policies are doomed to failure. If your policies put human values first along with quality of life, I think you will find that those little problems of financing and marketing, efficiency and distribution, storage and so on will find their rightful place.

Having observed the evolution of agricultural policies over the past 12 years, I have come to the conclusion that we have been on the wrong track. More and more we have had government interference, the taking over of land by the state and the adoption of an inhuman, unrealistic approach to farming. You cannot conduct a farming operation in any country unless you have the man on the soil. I know of no way to force a man to be a good farmer. Farming is a way of life. It is

man's oldest profession and is one of man's noblest professions. When a heartless state takes over the responsibility of telling farmers what they will grow, how they will grow it and where they will sell what they grow, farming becomes no longer a profession but just another form of slavery. Under such circumstances farming is not worth the long hours that are required. It is not worth facing the weather and taking a gamble, pitting yourself against nature and your intelligence against the elements, endeavouring through good times and bad to produce the best and the cheapest food.

I suggest we have not given enough thought to the future of farming. We have given too much thought to making the farmers farm our way. This approach does not work. If you lend a farmer money, if you force him to borrow money, I think you have the duty to see that he is able to repay that loan. If you ask him to be efficient, do not criticize him when he becomes efficient. We have asked our farmers to expand their operations, and they have expanded. All the farmers ask now is that the government, which already has interfered too much in their way of life, present them with a reasonable program to protect the financial position in which they find themselves.

I suggest that the government should keep faith with the farmers and let them repay the money lent to them at the original interest rate of the loan. Secondly, our agricultural policy in all phases should reflect positive rather than negative thinking. We must find some way of making the land productive and able to pay its way. The suggestion of putting certain wheatland which perhaps should never have been plowed back into grass is sound, but even this must be done carefully. The price of grass seed today on the Prairies has skyrocketed. Even if the farmer wanted to return his land to grass and take advantage of what I think was a well-meant program, this is almost beyond his financial grasp. If a farmer already owes money, by the time he has bought grass seed at exorbitant prices he will owe a lot more. In most cases it just cannot be done.

The government is making an effort to pump money back into the Prairies. This is the reason no member from the Prairies has stood up and said that he wants nothing to do with this program. I think all western members are hopeful that there will be some positive help given by the passage of this bill. Certainly I think improvement in grading of grain will assist. I also think we should give the farmers an incentive of some kind to produce the high quality grain that will sell on the limited market that we have. In addition to this I beg the minister to take a much broader and imaginative look, I might even say a daring look, at our agricultural policies, and to turn back the pages of time and adopt a natural attitude to farming, a natural trust of individual farmers, their old-fashioned thrift and their self-sufficiency.

When offering the farmers a loan, I would say that the best advice of all is to tell them not to take it unless they need it very badly. But if in its kindness the government does make a loan available to the farmers, I hope they will keep their good faith and allow the farmers to repay it at the same interest rate as the original loan, particularly in times like these when they find it very hard to exist and to keep their families on the land they love.

• (9:00 p.m.)

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, Bill C-196 is another move by the government to try to do something about a problem which is becoming difficult. As I see it, this is an attempt to regulate the handling of grain, the movement of grain and the juggling around and trying to regulate in some way the grading of grain. Having looked at this bill, I think it would be very fair to say that it really is not aimed in the direction in which our agricultural problems lie. This bill misses the boat. The real problem relates to the loss of our markets in the world. Markets for wheat have been dropping continuously ever since the Liberals took power, not too long ago. A few years ago Canada possessed about 33 per cent of the world wheat market. That position has now slipped to approximately 17 per cent.

At the present time there is a surplus of wheat in the world of 2 billion bushels or a little more. We also know that half or more of this surplus exists in our own country; half of that world surplus is in Canada. If we look a little further into the problem to determine who are the wheat producers of the world, we find that Canada produces only about 5 per cent of the world's wheat. What does this reflect—this loss of sales from 33 per cent to 17 per cent, with half the world's wheat surplus in a country that produces only 5 per cent of the world's wheat? The situation is getting progressively worse day by day, yet the Minister of Agriculture (Mr. Olson) sits back reading a newspaper while a speech on this very important topic is being made.

Some hon. Members: Oh, oh!

Mr. Yewchuk: This indicates that the minister may not think the problem is as serious as it really is. Part of his suggestion is to change the grading of wheat from the old system to a protein grading system. Nowhere in the bill does it say how he is going to do this, who is going to do it or where the physical facilities needed for this type of grading are located. What is the use of passing a bill that cannot be implemented? What is the use of introducing a grading system for which no physical facilities exist at the present time? I see this as just another snow job or smokescreen to cover inactivity. It gives people something to talk about but does not offer any real, concrete solution to the problem we face.

In the past five or six years in my own area half of the farmers have quit farming. They have quit because the economy of the farm has become more and more difficult. The farmers' income has been dropping continuously at an accelerated rate, particularly since 1962. Farmers are leaving the farms at the rate of about 10 per cent a year. If we carry this to its logical conclusion, how many farmers will we have five or six years from now? We must remember that we are losing 10 per cent per year and we have lost 5 per cent to 10 per cent per year in the last five years. Even more farmers are being uprooted from their homes. They are leaving the farms to go to the cities, or moving to towns.

These people have spent years working the soil and trying to eke out an honest living. Their reward in this country is a move to town at age 55 to try to get a job as a janitor sweeping somebody's floors, so they can make a living until they reach the age at which they can draw the old age pension. That is not a very colourful picture, but it is what we have in this country today. I hope the Minister of Agriculture, who is a farmer, does no face that prospect when he reaches age 55, assuming he is not 55 now.

What are the reasons for this difficult situation? I think they are very obvious. In the past 20 years the price of farm produce has remained the same or has dropped. The price of wheat, for example, is lower now than it was in 1950. The price of beef and hogs is about the same, or maybe a little less at times: it does fluctuate, but for all intents and purposes we can say it is about the same. Let us compare the price of farm machinery in the same period. What is the price of a tractor today as compared with the price in 1950? The price of a tractor has more than doubled.

We have a situation in which gross income has stayed about the same. The price of produce has not increased; it has remained roughly the same or has decreased a little. On the other hand, overheads, farm expenses, the cost of machinery and labour have more than doubled. Nothing at all has been done about this situation. There has been a lot of publicity and talk about the Barber commission which studied the price of farm machinery and equipment safety. About six months ago that commission came out with a report on farm safety. At that time I stood in the House of Commons and asked the minister whether he was going to take any action. He simply stood up and said no, he was not. He lived up to that answer; he did not take any action. We waited another six or eight months and—

An hon. Member: That is one of the promises he kept.

Mr. Yewchuk: It is one of the promises he kept.

Mr. Bell: He promised nothing, and he did nothing. He is an honest man.

Mr. Yewchuk: The official report of the Barber commission came out about two or three months ago. At that time the Minister of Agriculture was a little more optimistic. He said he thought the report was pretty good and he was going to do something about it. I have quit holding my breath because I have not seen any activity in that direction and there does not seem to be any evidence that he is in fact doing anything at all to lower the price of farm machinery.

That commission report contained substantial suggestions in respect of farm machinery prices. I have not seen any action toward the implementation of those recommendations.

Mr. Olson: We are talking about the Canada Grain Act, or at least I thought that was what the bill was about.

Mr. Bell: It is all related.

Mr. Yewchuk: These matters are extremely important and they are very closely related to the bill we are discussing. I want to make a few comments about the LIFT program, which stands for "Lower Income For Tomorrow" for farmers. What the minister and his colleague from Saskatoon are doing is asking the farmer to give up one year of his income. I wonder what other group in this country

would tolerate that. What other group of people would sit back and accept the government's suggestion that they quit work this year and take a holiday without pay. This business about $6 per acre for working the land is a big hoax: in most cases it will not cover the cost involved in summerfallow.

The publicity given to the LIFT program and giving the farmer a holiday with pay is a big laugh. The government, is just asking the farmer to give up a year's salary. They disregard the fact that almost every farmer has tremendous debts and that they have been getting progressively deeper and deeper into debt during the past several years. Their income has progressively decreased. We are now asking them to completely give up their income for a year. The government is not making any suggestion as to how farmers will meet their payments to the banks and the farm machinery companies, or in respect of farm improvement loans or, for that matter, to the grocer. I know of some farmers in Alberta who do not even have access to credit at the grocery store any longer because they are so deeply in debt. Their prospects are extremely grim.

• (9:10 p.m.)

If the government is truly concerned about trying to do something in respect of the agricultural problem, from the point of view of solving the wheat surplus and at the same time assisting all the farmers, I think it could come up with something a lot more original than simply asking the farmers to stop growing wheat. If it cannot come up with something original, it could look back at the situation in the years when the Conservatives were in power. It could learn something from that. When agricultural conditions were difficult at that time, they gave the farmers an acreage payment. When the crops were snowed under, they gave them a snowed under bonus. Every farmer who has been in the west for some time would say that the Conservative years were good years for them. It is a well-known fact that Liberal years have not been good years.

An hon. Member: Lean years.

Mr. Yewchuk: Yes, Liberal years are lean years; that is a good slogan. If the government truly wants to spend the $140 million it indicates it has available, I think it should try to help the farmer in a better way. One way would be to provide an acreage payment. They could use a few dollars as an acreage payment, but I think more importantly the government should re-establish Canada's position on the world market. We should increase our sales rather than stop producing. This is a simple solution. It just requires a little action. But for some reason the government seems to ignore this very simple suggestion.

There are several ways in which new markets could be gained. One would be to subsidize the price of wheat. This would allow us to recapture a good deal of the world market in which Canada has been undersold by other countries. We could use some of the LIFT money to do this. We could try to get back the 33 per cent of the wheat market we had during the Conservative years. We might also try to advertise a little. We should set up a marketing agency concerned solely with the marketing of Canadian wheat.

I think these suggestions would prove to be very useful if the government attempted to implement them. I have been a member of the House for only two years, but that short period of time is long enough for me to notice that the Liberal government bounces from crisis to crisis. It does not seem to be able to look at a problem and predict that it may become worse. The government does not seem to recognize the seriousness of a problem in time to bring in a policy to prevent a crisis occurring. The Minister of Agriculture and the government just will not do that.

I think the Minister of Agriculture knows the problem pertaining to farming. Being a farmer himself, he should know the problem. But I wonder why he does not do something useful in an attempt to solve it. When he was appointed Minister of Agriculture as his just reward for joining the party in power, we thought maybe this would be pretty good. We thought here is a man, a farmer himself and an Albertan, who is very familiar with the western agricultural problem and we were looking forward to a good deal of relief for western farmers.

I am sorry to say that not only I but all the farmers I know, and many whom I do not know, have been extremely disappointed because in spite of the fact that the agricultural minister is familiar with the farming problem, he repeatedly refuses to develop long-term and intermediate policies which would pull the farmer out of the terrible mire in which he now wades. Let us, for example, briefly summarize what the minister has done in the past few years to help the farmer improve his income situation and his standard of living. The first thing was to increase the

interest rate on farm credit loans. I think the Minister of Agriculture thought this was a good thing for the farmers, but I am not sure it was. Another thing he did was increase the amount a farmer could borrow. Perhaps that is all right in some respects, but all it really did was get the farmer deeper in debt. The ability to borrow more money by itself is of no value unless the ability to repay the debt is also developed. This is the most important thing.

To date the Minister of Agriculture has done absolutely nothing to increase the ability of the farmer to repay his loan. That is why I repeat the old slogan that the Liberal years are bad years. What we need in this country is a return to a Conservative government. I do not say that with partisan feeling, but because I feel it would be good for agriculture in the west and in the east.

If I might return for a moment to the LIFT program, recently I conducted a survey among farmers who are friends of mine, in a fairly large area of northern Alberta. It is very obvious that the LIFT program is a sham. It will not help many farmers in the area I surveyed. As a matter of fact, in a radius of 50 miles not one farmer said that he would benefit from this program. So it is just another snow job on the public. It is another cover up for the inactivity of the government and its inability to sell wheat, as well as its general inability to cope with an agricultural problem which progressively has become worse over the past few years.

I think the Minister of Agriculture should be able to do a little better than he has. I know he is intelligent. As I said, he is a farmer himself and I think he knows the problem. He is the minister responsible, and therefore I ask why he repeatedly lets us down and sits idly by as the agricultural industry day by day slips slowly down the drain.

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

Mr. Hales: Mr. Speaker, before the minister closes the debate I should like to ask a question. This question may have been asked before, and if so I apologize. I understand that under the former act the Auditor General was the auditor for the Canadian Grain Commission. In Bill C-196 I do not see any indication that the Auditor General is to be auditor in so far as the Grain Commission is concerned. Perhaps the minister would answer this question.

Mr. Deputy Speaker: Order, please. I am bound under our Standing Orders to point out to the House that if the minister speaks now he closes the debate.

• (9:20 p.m.)

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, of course the Auditor General does in fact, under the statutes setting up the office and the Financial Administration Act, have the authority to audit the books and accounts of what is now the Board of Grain Commissioners. Whether or not it is specifically stated in each act does not negate the provisions of the Financial Administration Act. So of course the Auditor General will have an interest in public expenditures amounting to slightly over $10 million by the Board of Grain Commissioners as it now exists and which will be called the Canadian Grain Commission when this bill has passed all stages and becomes an act.

Mr. Hales: May I take it from what the minister said that there is to be no change from the previous arrangements?

Mr. Olson: That is correct, Mr. Speaker. In so far as a number of other questions that have been asked are concerned, it seems to me that it would be more appropriate if I were to meet the members of this House in the standing committee where we would have an opportunity to examine Bill C-196 clause by clause. I will be able to reply to a number of questions that have been raised when we reach those clauses.

It is perhaps unfortunate that a great deal of the debate has centred around subjects that in my view at least are really not related to the Canada Grain Act. Notwithstanding my views on that, I want to say that I do not intend to violate the rules of Parliament by dealing with them when this bill is before the House. However, there were a number of questions raised with respect to the new grading schedule that will be attached to this act and amended from time to time by the Governor in Council. This, of course, will be dealt with when we get to the particular clause in the act that deals with grading.

While it does not at this point in time spell out in detail how the grading schedule will be devised, it certainly asks Parliament for the authority for the Governor in Council to amend this grading schedule from time to time. We have more than one example of what the schedule of grades will be, and indeed attached to this act now is an example

of what it will be. But, of course, as hon. members have pointed out, there is provision in this act for it to be amended from time to time, particularly for the purpose of making changes that will take into account the changing requirements of our customers. I would be prepared to deal with that matter in greater detail when we are before the standing committee.

A number of other questions were raised, but in my view it would be more appropriate for us to deal with them when we are specifically dealing with certain sections of the act that are applicable to those questions.

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

Mr. Baldwin: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Agriculture.

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

Hon. H. A. Olson (Minister of Agriculture) moved that Bill C-197, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, Bill C-197 is a very important and new departure in federal legislation. I intend to deal more specifically with the objectives of this act and indeed some of the specific provisions in the act within the next few minutes. However, I would like to set the preamble to that discussion by making the comment that the situation we have respecting the marketing of foreign products in Canada, in my view at least, makes it at least desirable if not essential that we have enabling legislation on the statute books, that is, authority from Parliament for the government to respond from time to time to the requests of a substantial majority of producers in this field.

The farming industry of Canada is made up of over 400,000 individual farmers all of whom are making decisions, in many cases independently of one another. Over the years governments have considered it essential to provide the legislative framework which would make it possible for farmers to work together in solving some of their problems. This is particularly important with respect to farmers' efforts in marketing the products of the farm in today's highly organized economy.

I think it is important that we place our agricultural industry in a position to improve our marketing systems. Rapid improvements in production methods and capability, combined with increasing complexity and diversity of the markets for farm products, underline the importance of expanding and improving our efforts in the field of marketing.

There are serious problems in the agricultural industry associated with fluctuations in farm income mainly due to instability of product prices. There are undoubtedly opportunities to expand markets. Hon. members referred to this from time to time in the course of the debate just ended. There are opportunities, I suggest, to improve the efficiency of our marketing systems. There are wide fluctuations in the supply of products which are available for marketing. Producers are investing more and more money and know-how in production facilities and production programs. Therefore I think it is important that we provide for some form of national co-ordination of these marketing programs.

I think it would be appropriate for me to give some historical background. For example, the federal government introduced fairly broad marketing legislation in the early 1930s. This legislation was later ruled by the courts to be *ultra vires* or outside federal jurisdiction. Since then provincial governments have implemented marketing legislation which has enabled producers to organize a number of provincial marketing boards, agencies and commissions—several other names have been attached to these—under the authority of the provincial marketing legislation.

About half of Canada's farm products today are marketed under the aegis of some type of provincial or federal marketing agency. But the provinces and the producers generally have been frustrated in their attempts to do an effective job of the orderly marketing of farm products, that is, working through individual, provincially organized marketing bodies, and the need for national legislation of the type which we have set before you has become evident.

• (9:30 p.m.)

I will refer to this a little later, but over the last two years there has been a series of meetings which I attended—and indeed there were meetings before that—where provincial ministers met with the federal minister and the Department of Agriculture with a view to putting some co-ordinating measure in place at the national level which would allow these provincial boards, and additional marketing structures for other commodities, to be more effective in achieving the desired result, which is a uniform price structure and stability for producers.

In the past provision was made through specific legislation for marketing agencies under the jurisdiction of the federal government. An outstanding example of this is the Canadian Wheat Board. But we have concluded that there is now need for legislative authority which places the federal government in a position to design structures and orderly marketing programs to deal with specific but greatly varying circumstances related to different farm commodities.

The constitution provides the federal government with authority for the general overseeing of the marketing of farm products in interprovincial and international trade, and the provinces with authority over marketing of farm products within a province. National structures must therefore relate closely to the provinces and to the provincial marketing boards where they exist. In a sense, therefore, Mr. Speaker, this legislation provides for a bridging of the jurisdiction in this very important area. The provinces, for example, may delegate responsibility over intraprovincial marketing to agencies established under this legislation. The complexity of this jurisdictional question, the varying circumstances associated with different products and the need for taking action promptly when it is appropriate to do so all underline the importance of the Governor in Council having authority to proceed under the mandate which this legislation will provide.

The legislation also provides for the establishment of a National Farm Products Marketing Council. This council will be a very important body. Operating under this legislation it will provide guidance and advice in the first instance as to whether or not a scheme should be considered. It will basically determine the nature of schemes which are to be considered under this legislation and will carry the responsibility for continuing scrutiny and guidance of agencies which are established under the legislation.

The council will also have the responsibility of maintaining very close liaison with provincial marketing councils and with provincial governments generally. It will have among its functions the promotion of improvement of marketing of farm products in Canada. The legislation vests with the council the responsibility to assure that the policies of agencies which are carried out are such as to maintain and promote an efficient and competitive agricultural industry. It is also their responsibility to have in mind not only the interests of the producers but also of the consumers and others who are interested in the farm product which is being marketed.

The council will hold public hearings before recommending any plans. This is in order to assure that all interested parties have an opportunity to study and to consider proposed marketing plans and to make their views known with regard to them. I do not see the formation of national marketing agencies as a panacea for all our problems but, Mr. Speaker, on the other hand this legislation does mark real progress in placing us in a position to respond to requests for specific marketing schemes that are designed to provide improvements through national agencies for specific commodities.

As said a few moments ago, the objective of this legislation is to provide for more effective marketing of farm products by placing the federal government in a position to respond to and to create national marketing agencies for specific commodities as the need arises. For example, this bill will provide for the establishment by the Governor in Council of a National Farm Products Marketing Council, which will provide advice with respect to the establishment of and supervision over the operation of specific commodity agencies established under this bill. The bill will also provide for the establishment by the Governor in Council of national marketing agencies authorized to administer an approved marketing plan related to a designated farm product or farm products.

Due to the nature of the organization of the farming industry, with a great many producers making individual decisions, it has been accepted that the producers should have the opportunity to organize for more orderly marketing of their products. To a large degree the provinces have proceeded to implement farm products marketing legislation providing for the establishment of producer

marketing boards, and more recently for other types of farm product marketing agencies as well. As a matter of fact, there are now approximately 120 provincial or sub-provincial marketing agencies in operation across Canada.

It has become evident to producers that there is a further need for a national approach to such marketing schemes, at least for some of the commodities, because of the limited effectiveness of segmented and uncoordinated provincial schemes. In addition, there is good reason to provide for national leadership in this area having regard for the interests of the economy and the efficient use of resources devoted to agriculture in the various regions of Canada. Without legislation such as this, producer groups and provinces could place the onus for lack of co-ordinated action in the marketing field on the federal government, and indeed they have done so.

As I said, over the last 24 months we had a number of meetings with them dealing with this matter. As I have also said, the bill provides the Governor in Council with the authority to establish agencies which would exercise some or all of the federal powers over the marketing of a named farm commodity within a region or within all of Canada. The Governor in Council could approve a specific marketing plan and appoint an agency which would be authorized to administer the plan. The bill thus provides for the design of specific marketing schemes tailored to the requirements and the peculiarities or particular commodities, and such schemes of course could be approved individually by the Governor in Council.

On the one hand, the agencies established under this bill could be granted very limited powers as necessary to achieve a minimum co-ordination, or promotional function. On the other hand, a range of powers could be granted as appropriate to carrying out a more comprehensive marketing function, including such things as selling, pricing, assembling, packing, processing, transporting and the storing of designated products involved in interprovincial and export trade.

The marketing agencies established by the Governor in Council would be in the position, on the concurrence of the Minister of Agriculture, to receive a delegation of powers from provinces in order that the agencies would be a in position to exercise provincial as well as federal authority over the marketing of a designated farm product or products. The federal government generally has jurisdiction over the interprovincial and export movement of products, and the provinces over the marketing of products within a province.

The bill also provides for the appointment by the Governor in Council of a National Farm Products Marketing Council. This council will have considerable responsibility with respect to the design, review and the overseeing of the operation of marketing plans and of marketing agencies established under this legislation. Considerable emphasis is placed in the bill on the maintenance and expansion of an economic and competitive farming industry, and on a dependable supply of high quality products to the consumer. The council is vested with the prime responsibility for determining that such plans are in the interests of the agricultural industry and have regard for other sectors of the economy, including the consumer.

• (9:40 p.m.)

Mr. Speaker, in conclusion I should like to advise hon. members that there have been extensive discussions with a member of producer organizations, particularly the poultry producers, who are most anxious that the government establish a structure that will enable them to set up a national marketing agency. It has been decided to proceed with general legislation rather than with specific commodity legislation, and the nature of this bill and the support for it has been indicated by producers during these meetings.

In addition, the matter has been discussed with other more general farm organizations and groups of farmers and other interested persons. The indication is that there is a general support, and in some cases very strong support for this type of legislation rather than some of the other objectives that would be open to us. I want to repeat that the matter has been discussed in detail with the provinces at both the ministerial and official level, first in the context of the specific request that came forward, for example, from the poultry industry and more recently in the context of the proposal to provide this enabling legislation. I should say that the provinces generally support this type of legislation. Indeed, much of it was designed because of the essential nature of their participation, in line with some of the suggestions they made to us.

Mr. Speaker, this legislation does not directly affect any other bill or policy that I am aware of. It is, however, closely related to the Agricultural Products Marketing Act which provides for delegation of federal

powers to similar provincial boards, a practice which has been used many times in the past.

With respect to international ramifications, the bill does not provide the opportunity to give marketing agencies established under it direct or, indeed, automatic control over the importation of agricultural products. In certain circumstances authority could be delegated to these agencies, but I should like to make it clear that Bill C-197 does not automatically provide the exercise of control in international trade.

The bill has very important federal-provincial ramifications, as marketing of farm products is an area that is under both federal and provincial jurisdiction. I have said that we see no serious problems in that regard due to the extensive consultations with the provincial authorities and to the provisions in the act for agencies established thereunder to receive delegation of provincial powers and to name bodies established under provincial legislation as agents, within a province, of the national marketing agency.

Mr. Speaker, I believe that many farm organizations in Canada have waited a long time for this kind of legislation. I should like to conclude by suggesting to hon. members, and indeed to Canadian farmers generally who think that national marketing legislation is as simple as providing the authority for somebody to set production quotas and prices, that in my view this will not solve the problem of the marketplace. That has been tried without success and is one extreme in the attitude toward national marketing agencies. The other extreme is to shy away from any suggestion of marketing boards, commissions or agencies and have nothing to do with any kind of structure that would give the producers greater influence in the marketplace.

In my view, Mr. Speaker, the adamant refusal to recognize that producers, and particularly farmers, ought to have a greater influence in the marketplace through their own efforts is also wrong. Had I time I could name specific commodities which experienced difficulty because of lack of co-ordinated effort between producers and where in retrospect it would have been possible to have had a more uniform price structure had there been some co-ordination of effort under the aegis of this kind of legislation. In its absence there were, instead, very depressed prices throughout the whole marketing season notwithstanding an excess of supply and market demand. Either extreme position is wrong, in my view. We have to find some area in between where national marketing agencies are not so compulsory, where they have not only one thing on their minds and that is to set production quotas and prices. There must be an area in between for co-ordination amongst producers.

I suggest, Mr. Speaker, that in this area of supply management—a term which is being overused these days and which does not relate only to production—a great deal of benefit could flow to farmers if there was a co-ordinated agency which could manage the flow of production into the marketplace in relation to what the market could absorb on a daily, weekly or even on a monthly basis.

I hope hon. members of this House will give this legislation careful consideration with these concepts in mind. It could become a useful instrument in assisting agricultural producers in Canada to have a greater influence in the marketplace for their own benefit and indeed for the stability of the industry all across Canada.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, as a farmer who has produced various commodities I find this as damnable a piece of legislation as any I have seen introduced in what is supposed to be a free enterprise country in the free world. The government labels itself as supporting free enterprise, but I do not think they can expect the opposition or indeed their own members who realize the consequences of this bill, to support what amounts to a blank cheque.

• (9:50 p.m.)

I do not know how many times the Minister of Agriculture mentioned Order in Council. I shall count the number of times tomorrow. He is asking Parliament for the authority to say, "I will direct the farmers in the country. I will tell them what to do. I will tell them where they are to do it, how much they are to produce and at what price. I will say through what agency we will sell, to whom we shall sell and, if we are keeping the commodity within the country, the time of the sale." I think I have said enough on that point to illustrate that no one in the free world would expect a minister in Canada to introduce such a bill and plead, as he did, for the House to give it consideration.

Some hon. Members: Hear, hear!

Mr. Korchinski: He mentioned the Wheat Board as an illustration of a selling agency.

Someone said the chicken farmers are the group primarily which wants this type of legislation. The Wheat Board did not tell me what to produce until this government came along. The Wheat Board was an agency of the farmers, acting on behalf of the farmers, and the minister cannot see it. This agency acted on behalf of the farmers. In this bill the minister is seeking to control even the type of board that is to be set up—and not only the type of board but the type of agency the board can appoint. I might as well go home, as might the rest of hon. members who are backbenchers, because if we are to be saddled with this, it is too much. Do you know what notation I have made opposite the word "Minister" in the definition clause? In capital letters I have written GOD, because that is who the minister thinks he is.

I have never seen anything in all my days that has excited me more than this bill. If the minister or the Prime Minister (Mr. Trudeau) had come to this House and said, "Canadians, we are dissolving Parliament and turning over all our powers to the Russians" I could have accepted what was said because at least I would know where I stood. I would know I have absolutely no say in anything, I have no rights, and I am dominated. I would expect that from that type of authority, but I do not expect it from the Canadian Parliament.

Some hon. Members: Hear, hear!

Mr. Korchinski: I do not think the minister ought to expect this type of legislation to go through without someone in this country being aroused, because I certainly read it differently from the way the minister reads it. In my speech yesterday I thought I was cooperative. I tried to illustrate some of my misgivings about the bill. Now I am told an inspector can enter my premises. I could talk on and on. I wish somebody in this country would realize what is happening. I wish Canadians would wake up for once, because one by one the things they stand for are being taken away. The government is dictating to us. They talk about the wheat problem and say, "Mr. Farmer, you are No. 1 on the list because you own a wheat farm." I wish I could say to our people, "Mr. Farmer, Mr. Businessman, Mr. whoever you may be, Mr. Canadian, look at Bill C-197, because that is a good indication of where this government is going." It is telling us absolutely what to do.

I have never been licensed to produce anything, but this bill does that. It says if you have no licence to produce certain things, you can be put in jail for two years. That is what the bill provides. My God! Where art thou, my God? Surely you will have compassion on us, because this government certainly has none.

Without even starting to say some of the things I wanted to say, I can tell hon. members that the explanation given for the bill was very smooth. I do not know whether the minister's efforts were intended to placate us. I cannot be placated by a bill with these provisions. I quote clause 34(1) which reads as follows:

> An inspector may at any reasonable time enter any place, other than a private dwelling place or any part of a place that is designed to be used and is being used as a permanent or temporary private dwelling place, in which he reasonably believes there is any regulated product produced for, or intended to be marketed in, interprovincial or export trade and may examine any books, records or other documents in such place that on reasonable grounds he believes contain any information relating to the regulated product and make copies thereof of extracts therefrom.

I have already said you can go to jail if you do certain things. Who would keep a cow in a house? Who is going to keep a pig in the house? Obviously, these animals will not be kept in the house but in some other place, and the inspector will go to that other place. Oh, yes, he is not going to enter your dwellinghouse. But I have seen houses that are attached to barns; that is in Europe, in the old European style and not in Canada. Had this bill been introduced in Europe it would have provided the farmer with a certain kind of immunity. But in Canada we separate houses from barns. This minister, thinking he has all the answers, seeks to extend his bureaucratic control.

I believe that all Canadians should once and for all understand what is happening. It is not merely this minister's doing, because obviously this bill is approved by cabinet. This minister is only an instrument for putting through a bill based on the ideology of this government. He is only one minister of the government. All I have to say is, Canada beware, because we have gone further than we dreamed in the two years this government has been in power.

May I call it ten o'clock, Mr. Speaker?

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, before we proceed to the next item of business would the minister, the acting government House leader,

confirm that the business for tomorrow will be the budget debate?

Mr. Olson: Yes, Mr. Speaker, I am advised that is the intention. The House leader, the President of the Privy Council (Mr. Macdonald), will advise tomorrow what other business is to be considered.

PROCEEDINGS ON ADJOURNMENT MOTION

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

AGRICULTURE—FEED GRAIN—REQUESTED INCREASE IN FREIGHT RATE ASSISTANCE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I hope the House will not be unnerved by my standing up to take part in a debate on agriculture. Having managed to survive Hon. Paul Martin's discovery of the soybean, the House can probably survive my remarks as well. I speak on behalf of 9,500 farms in Nova Scotia. I speak of a problem, however, which affects not only my own provinces but all other provinces. It has to do with feed freight assistance. I have no quarrel, really, with the answer that brought us here. The minister gave as full an answer as could be given on the Orders of the Day, but I think it would be very helpful if he would elaborate on this question when he replies to me in a few minutes' time.

Let me relate the dimensions of the problem. Nova Scotia in 1965 grew 17 per cent of the grain for its own consumption, and in 1950 it grew 32 per cent of what it consumed in total. So that looking over the figures which are supplied to me by the Nova Scotia Federation of Agriculture, it is clear that for the last 20 or 25 years roughly 80 per cent of the grain needed for Nova Scotia farmers has had to be imported.

• (10:00 p.m.)

On Saturday night I spoke to a group of people in the farming industry. They asked that this matter be raised in Parliament. I understand that the farming industry is affected in this order. About 80 per cent of the expense in the pork industry is for grain, and about 70 per cent of the expense in the chicken industry is for grain. I pause to point out that both these farming endeavours can be carried out on non-productive land; that is, hogs and chickens are penned and fed. The best estimate the Nova Scotia dairy industry could give me is that 30 per cent to 40 per cent of the cost of raising livestock is attributed directly to grain. In other words, the dairy farmer would have an opportunity if some other program were substituted which would help him to clear land thereby enabling him to grow grain to feed the livestock. However, the farmer who produces swine or raises chickens would not be in the same position. The Maritime Federation of Agriculture has pinpointed the problem in this way:

> Whereas Maritime farmers import in excess of 50 per cent of the feed grains, used in these provinces and, whereas the poultry and broiler industry rely almost entirely on imported feed grains, and
>
> whereas the dairy, beef and hog phases of agriculture in the Maritimes are in an expansion program based to a large degree on imported feed grains, and
>
> whereas feed freight equalization is one of the most direct methods of helping development in the Atlantic region, particularly in the production of poultry, hogs, livestock, livestock products and allied industries, and
>
> whereas the government of Canada is seeking to eradicate the regional disparities in Canada, and more especially, to eradicate the regional disparity between the Atlantic region of Canada and the Ontario-Quebec region of Canada.

There is then a resolution asking that the levels of assistance to Maritime livestock farmers as they existed during 1967-68 and 1968-69 be maintained. Maritime Co-operative Services Ltd. made a submission recently to the minister. I quote from paragraph 7:

> Therefore be it resolved that the government of Canada be requested to provide adequate funds to the Canadian Livestock Feed Board so that the rates of feed freight equalization can be restored and maintained at the 1962 levels and that vegetable proteins be included in the program.

The point was also made in a brief of the Canadian Federation of Agriculture which was submitted to the minister on Monday of this week. I quote from paragraph 37 on page 12:

> In the present circumstances of restricted markets for western grain, and increasing pressures on the structure of Canadian agriculture, the maintenance of the Feed freight assistance program seems more than ever justified and necessary. It contributes both to a fair balance of regional opportunity in livestock production, and to the fullest utilization of western feed grains in Canada's domestic agriculture.

The point I want to make is that Maritime farmers could grow grain, but they would not do it as well or as economically as the western farmer. The western farmer is crying for markets; therefore it makes good sense to

ship as much grain as possible to the Atlantic farmers. Why pay the western farmers not to grow wheat and ask the eastern farmers to do something that the western farmers can do better?

I have two questions for the minister. First, is the amount of feed freight assistance being cut per ton, or will it be cut; if so, at what level? Second, are there long-range plans to cut out this program which is of such great assistance to Atlantic agriculture?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I should like to cover as much ground as I can during the three minutes at my disposal, but to give a detailed explanation in reply to the number of comments and questions raised by the hon. member would be impossible in that length of time. I should advise the hon. member that making estimates with respect to a program such as feed freight assistance is very difficult. This is an open-ended program under which we offer to pay a certain number of dollars per ton of total volume offered for movement, for example from Thunder Bay and other places in Ontario farther east, in any year.

Last year we had a situation where there was a significant upswing in the total volume of feed grain coming into certain parts of Ontario, and indeed into the Maritime provinces, in substitution for what had been supplied through production of Ontario grain in the past. As a result, the government ran into additional expense. When we realized this was happening to a very large degree in September, 1969, we made some adjustments. We adjusted the rates into many areas, but primarily we wanted to equalize the disparities that had shown up between various zones as a result of changes in transportation costs.

What we want is a form of equalized payment so that the balance of the payments that a livestock feeder has to pay, whether $2 a ton or $3 a ton out of the ten, is reasonably the same for all. However, when transportation costs change, this does become distorted. Another thing we did was to add by way of a supplementary estimate another $1 million, raising the total amount from $221.5 million to $222.5 million, to take care of the increased volume. I also realize there were reductions in the rates that had an affect in all areas from Ontario to the Maritimes.

So far as the amount for 1970-71 is concerned, it is true that this is down, from a total expenditure of $22.5 million in 1969-70 to an estimated expenditure of $17.6 million in 1970-71. We have not changed the rates. It is too early at this point in time to be able to predict with any accuracy how much will be brought forward for this feeding season. However, that is a matter we will have to look at as we see what the total supplies of locally grown grain from Ontario, Quebec or the Maritimes amount to, and this will not be known until later.

So far as the long-range plans are concerned, I am aware that ministers ought not to give commitments extending far into the future committing future ministers as well, indeed, as future Parliaments and governments. However, as far as I am concerned—and I have said this many times across the country—I think feed freight assistance is a good, sound, economic program for Canadians both in the grain producing area and in the livestock feeding area; in other words, at both ends.

Motion agreed to and the House adjourned at 10.12 p.m.

HOUSE OF COMMONS

Wednesday, April 15, 1970

The House met at 2 p.m.

PRIVILEGE

MR. RYNARD—ADEQUACY OF ANSWER TO ORDER PAPER QUESTION

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I rise on a question of privilege in respect of question No. 1,443, the answer to which appears at page 5768 of *Hansard* for April 13. On March 5 I placed this question on the Order Paper:

1. How many companies, building plants in designated areas, are controlled outside of Canada?

2. How many are Canadian companies?

3. What was the cost in dollars for machinery and equipment purchased outside of Canada by companies controlled outside of Canada?

4. What was the cost in dollars of machinery and equipment purchased in Canada by foreign subsidiaries?

5. What percentage of machinery and equipment was obtainable in Canada at competitive prices?

The purpose of the first part of the question was to elicit information concerning the number of foreign-controlled subsidiaries qualifying for assistance in designated areas. This is a question of extreme importance to the Canadian people who are supplying the money to these designated areas.

Next I wanted to know the number of Canadian companies so that we would have a comparison between foreign-owned subsidiaries and Canadian-owned companies qualifying for assistance. The third part of the question concerned how much machinery and equipment for these industries was purchased outside Canada which could have been purchased in this country at a competitive price from Canadian factories employing Canadian workers.

I would have thought the government would be pleased to furnish this information to the Canadian people. The curt answer given on April 13 in effect was that the information is denied because no Act of Parliament makes the government give this information, and it is then stated in the answer that the information is not available. I believe this published answer to be false.

Why is this information hidden from the Canadian people? As the humble servant of my riding I ask that this information be made available to the Canadian people.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. It will be my pleasure and duty to consider the point raised by the hon. member for Simcoe North to see whether I can be of assistance to him with regard to the point he has raised.

• (2:10 p.m.)

ROUTINE PROCEEDINGS

JUSTICE AND LEGAL AFFAIRS

Eighth report of Standing Committee on Justice and Legal Affairs—Mr. Tolmie.

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

BILINGUALISM AND BICULTURALISM

TABLING OF BOOK IV OF REPORT OF COMMISSION

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I wish to table copies in English and French of Book IV of the report of the Royal Commission on Bilingualism and Biculturalism.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CONSUMER AND CORPORATE AFFAIRS RESEARCH BRANCH

Question No. 56—**Mrs. MacInnis:**

1. What are the functions and responsibilities of the Research Branch of the Department of Consumer and Corporate Affairs?

2. What specific research projects has the Research Branch undertaken and what research projects are presently in progress?

3. Who are the research staff of the Research Branch and what are their respective annual salaries?

Questions

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. The Consumer Research Branch of the Department of Consumer and Corporate Affairs is responsible for conducting research into consumer problems, advising the Minister of Consumer and Corporate Affairs on the nature of consumer problems and proposing solutions to consumer problems. Such problems include consumer credit, standards of packaging and labelling and of composition of consumer products, consumer safety, weights and measures, advertising, merchandising practices, consumer problems of special groups and the legal rights of consumers. In furthering its program, members of the Branch participate in a number of interdepartmental committees concerned with specific issues affecting consumers and in international committees on consumer problems and international standards and in discussions with consumer groups, individuals, trade associations, industry representatives, provincial officials, government officials from other countries, university professors, and others. The Consumer Research Branch also undertakes research activities for the other Branches in the Bureau of Consumer Affairs.

2. Most of the research projects undertaken by the Branch represent confidential advice for the Minister and it would not be practicable or in the public interest to list the specific research projects undertaken.

3. R. Warren James, $19,000-$23,500; Earl C. Savage, $19,781; James T. Hill, $16,656; Surendra S. Prihar, $16,656; Carol E. Wishart, $18,124; Frederick J. Joyce, (on loan).

STUDIES BY CONSUMER RESEARCH BRANCH

Question No. 103—**Mr. Mather:**

1. For the fiscal years 1968-69 and 1969-70 what specific studies have been undertaken by the Consumer Research Branch of the Department of Consumer and Corporate Affairs?

2. Who are the individuals involved in these studies and when is it anticipated that these studies will be completed?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Most of the research projects undertaken by the Branch represent confidential advice for the Minister and it would not be practicable nor in the public interest to list the specific research projects undertaken.

2. The following are the members of the Consumer Research Branch: James T. Hill, R. Warren James, Surendra S. Prihar, Earl C. Savage, Carol E. Wishart, Frederick J. Joyce (on loan).

[Mrs. MacInnis.]

GIRD AND IRDA PROGRAMS—GRANTS TO FIRMS

Question No. 168—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the tax incentive program for research and development formerly referred to as GIRD and the new grant program called Industrial Research and Development Assistance Program, administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the GIRD and IRDA programs, and (b) in each case, what was the total financial grant or incentive allotted?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Industrial Research and Development Incentives Act received Royal Assent March 10, 1967. Regulations were passed May 25, 1967 and initial payments made under the Act occurred in Government fiscal year ending March 31, 1968. To qualify for a grant an organization is required to be a Canadian corporation. No restrictions with regard to ownership exist, however each applicant receiving a grant must pass the "Benefit to Canada" requirements of the Act.

Individual grants under the Act are made on a confidential basis and details of such grant are not made available.

The following provides the extent of the information that can be given in response to the above question: 1. Financial Incentives to Non-Resident Owned or Controlled Firms

	1967-68	1968-69
(a) Number of firms	13	137
(b) Amount ($000s)	976.6	8,554.7

2. Financial Incentives to Canadian-Owned or Controlled Firms

	1967-68	1968-69
(a) Number of firms	53	190
(b) Amount ($000s)	975.4	10,773.6

In additional financial incentives were given to the following firms for which there is no conclusive evidence as to the residence of the principal owner.

	1967-68	1968-69
Number of firms	15	39
Amount ($000s)	179.3	264.0

Note: (1) Corporations have been classified as non-resident owned or controlled where

official information filed with the Corporations and Labour Unions Returns Act Administration indicates that more than 50 per cent of the voting stock is directly or indirectly owned by non-resident shareholders and there is a concentration of such ownership. Corporations not reporting under the Act have been classified as non-resident owned or controlled if available public information indicates that more than 50 per cent of the voting stock is owned by non-residents and there is a concentration of such ownership.

(2) Corporations have been classified as Canadian-owned or controlled where official information filed with the Corporations and Labour Unions Returns Act Administration indicates that 50 per cent or more of the voting stock is directly or indirectly owned by Canadian residents or where although more than 50 per cent of the voting stock is held by non-residents there is no foreign parent or concentration of foreign control and the effective control rests with the management and directors of the Canadian company. Companies not reporting under the Act have been classified as Canadian-owned or controlled if available public information indicates that 50 per cent or more of the voting stock is owned by Canadian residents. Certain of the companies are exempt from reporting under the Corporations and Labour Unions Returns Act and conclusive evidence of the country of ownership is not available from other public sources. The number of such companies and the amount of the incentives given are shown separately.

GENERAL ADJUSTMENT ASSISTANCE—GRANTS TO FIRMS

Question No. 170—**Mr. Broadbent:**

1. For the years 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the General Adjustment Assistance Program administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the General Adjustment Assistance Program, and (b) in each case, what was the total financial grant or incentive allotted?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Three forms of assistance are available to manufacturers under this Program: insurance of up to 90 per cent on commercial loans from private lenders; direct, repayable, interest-bearing loans and consulting assistance grants. No assistance was provided in 1967-68 as the Program was then in the early stages of formulation and no direct loans have been made to date. The loan insurance and direct loans are only approved if the General Adjustment Assistance Board is satisfied that the financing for a sound project is otherwise unavailable on reasonable terms and conditions. The Board may authorize grants to applicants ruled eligible for loan insurance or loans to assist them to develop sound proposals but only if the costs of the studies would be a significant burden on their resources. These criteria inhibit assistance being provided to subsidiaries of large wealthy parent companies. Subject to the foregoing the program does not distinguish, however, between Canadian and foreign owned firms.

The General Adjustment Assistance Board adheres to the policy of commercial lenders by preserving the confidential nature of the financing made available through the insurance of loans by chartered banks or other private lenders and does not without the borrower's or insurer's consent reveal details of individual loans. Although the individual applicants' names and specific details with respect to loan insurance authorizations cannot be disclosed, information is supplied below in reply to this aspect of the question. Recipients of consulting assistance grants are listed. No direct loans were made in the periods specified.

1. (a) None. (b) Nil.

	1968-69	
2. (a) and (b)	No. of Firms	Amount ($000s)
Insurance of Loans	7	2,713.0
Consulting Assistance Grants		
Keith-Day Limited		1.3
Northland Sportswear Ltd.		1.7
Spices and Botanical Products Ltd.		2.0

Note: Corporations have been classified as Canadian-owned or controlled where official information filed with the Corporations and Labour Unions Returns Act Administration indicates that 50 per cent or more of the voting stock is directly or indirectly owned by Canadian residents, or in cases of companies which are exempt from reporting under the Act where there is other conclusive evidence of Canadian ownership or control.

Questions

AUTOMOTIVE ADJUSTMENT ASSISTANCE—GRANTS TO FIRMS

Question No. 171—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Automotive Adjustment Assistance Program administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Automotive Adjustment Assistance Program, and (b) in each case, what was the total financial grant or incentive allotted?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Automotive Manufacturing Assistance Regulations, which comprise the automotive adjustment assistance program, do not provide for the awards of either grants or incentives. They do, however, provide for the making of repayable interest-bearing loans to certain eligible Canadian firms. Generally speaking, the eligibility criteria are concerned with the nature of the firm's business and prospects and not with the country of residence of its principal or owner.

The Adjustment Assistance Board, which administers the Regulations, adheres to the policy of private term lenders of preserving the confidential nature of loan transactions and does not, without the borrower's consent, publish or otherwise reveal details of individual loans. Although individual borrowers' names and specific loan details cannot appropriately be disclosed, the following information is supplied in answer to the question.

Adjustment Assistance Board Loans:

1. To Non-Resident Owned or Controlled Firms

	1965-66	1966-67	1967-68	1968-69	To Date 1969-70
(a) Number of Firms	1	7	1	2	3
(b) Amount ($000s)	1,580	10,330	400	1,600	1,803

2. To Canadian-owned or Controlled Firms

	1965-66	1966-67	1967-68	1968-69	1969-70
(a) Number of firms	10	24	8	20	10
(b) Amount ($000s)	8,037	14,151	7,755	16,043	11,380

Note: (1) Corporations have been classified as non-resident owned or controlled where official information filed with the Corporations and Labour Unions Returns Act Administration indicates that more than 50 per cent of the voting stock is directly or indirectly owned by non-resident shareholders and there is a concentration of such ownership. Corporations not reporting under the Act have been classified as non-resident owned or controlled if available public information indicates that more than 50 per cent of the voting stock is owned by non-residents and there is a concentration of such ownership.

(2) Corporations have been classified as Canadian-owned or controlled where official information filed with the Corporations and Labour Unions Returns Act Administration indicates that 50 per cent or more of the voting stock is directly or indirectly owned by Canadian residents or where although more than 50 per cent of the voting stock is held by non-residents there is no foreign parent or concentration of foreign control and the effective control rests with the management and directors of the Canadian company. Companies not reporting under the Act have been classified as Canadian owned or controlled if available public information indicates that 50 per cent or more of the voting stock is owned by Canadian residents.

[Mr. Pépin.]

REPLACEMENT OF SHIP, "ACADIA"

Question No. 361—**Mr. MacEwan:**

Has the Minister of Energy, Mines and Resources received a communication from the Mayor of the Town of Pictou, N.S., asking that one of the newer ships of his Department be based at Pictou to replace the *Acadia* and, if so, what decision has been reached on this matter?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The Minister of Energy, Mines and Resources received a telegram from Mayor Clarence MacCarthy urging that another ship be based at the Port of Pictou, Nova Scotia to replace the retired *Acadia*. No decision on this matter has been reached at this time.

PREVENTION OF "DUMMY" CORPORATIONS ESTABLISHED TO AVOID INCREASED POSTAL RATES

Question No. 862—**Mr. Robinson:**

Will the federal government set up the necessary inspection machinery to see that organizations do not set up "dummy" corporations to operate as publishers of the organizations' periodicals and thereby avoid the increased postal rates?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): The Post Office Department has not established inspection machinery as referred to in the question, but all necessary precautions are taken so that only newspapers and periodicals which meet all requirements of Section 11 of the Post Office Act are registered as second class mail.

YUKON—ROAD MAINTENANCE BUDGET

Question No. 1,152—**Mr. Beaudoin:**

1. What was the road maintenance budget for the Yukon in 1965, 1966, 1967, 1968 and 1969?

2. How many persons now work on road maintenance in the Yukon and what was the number for each of the above years?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1 and 2. In so far as the Department of Public Works is concerned the following are the expenditures and employment figures for maintenance work on the Northwest Highway System in the Yukon Territory.

Fiscal Year	Expenditure	Man Years
1965-66	$3,097,929.	247
1966-67	3,529,616.	228
1967-68	3,150,981.	212
1968-69	3,671,813.	196
1969-70	3,383,480. (est.)	189

In so far as the Department of Indian Affairs and Northern Development is concerned, the road maintenance budget and the numbers of persons employed on road maintenance activity in the Yukon Territory was, as follows:

Fiscal Year	Expenditure	Man Years
1965-66	$1,168,164.32	75
1966-67	1,430,836.74	75
1967-68	1,554,012.61	75
1968-69	1,991,277.44	80
1969-70	1,971,000.00 (est.)	83

SPACE RESEARCH DEVELOPMENT—NASA

Question No. 1,262—**Mr. Broadbent:**

Has the Government of Canada received a request from the United States' Government to participate in space research development through the NASA organization and, if so (a) what was the nature of the offer (b) what was the response of the Canadian Government?

Hon. Mitchell Sharp (Secretary of State for External Affairs): (a) While no request to participate in space research development has been made by the United States Government, Dr. Thomas Paine, Chief Administrator of NASA, visited Ottawa last December to outline United States plans in the post Apollo period and to indicate the United States Government's willingness to examine sympathetically any proposal from Canada regarding possible participation in the NASA space program, or any specific aspect of its program. (b) The Canadian Government looks forward to continuing the successful pattern of cooperation already established with NASA. The form such cooperation will take in the future is under active study at the present time.

*CANADA LABOUR (SAFETY) CODE REGULATIONS

Question No. 1,275—**Mr. Knowles (Winnipeg North Centre):**

Have all the various sets of regulations under the Canada Labour (Safety) Code been passed, and (a) if so, what industries are covered (b) if not, on what date will the regulations for industries not yet covered be passed?

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): The answer to starred question No. 1,275 is as follows: No, all the various regulations have not yet been passed. To date, the following have been authorized: the coal mines (CBDC) safety regulations; and the Canada boiler and pressure vessel regulations.

Questions

With reference to (a), the only particular industry now subject to specific regulations is the underground workings of the Cape Breton coal mines.

With reference to (b), 16 sets of regulations covering every major aspect of employment safety and having general application to all industries subject to our safety code are at an advanced stage of development and are expected to be issued progressively during the next six to eight months.

CBC—HOTEL RESERVATION EXPENSES

Question No. 1,295—**Mr. Godin:**

1. Has CBC presented an account for expenses incurred during the fiscal year 1968-69 through the reservation of hotel rooms not subsequently used and, if so, what was the total of such expenses?

2. Will the government require the employees of the corporation to provide receipts and statements?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: As a matter of policy CBC employees are required to account to the Corporation for expenses incurred on CBC business. Normally the responsibility to cancel hotel reservations not actually required rests with the employees concerned. However, under extraordinary circumstances and upon satisfactory evidence and explanation, expense incurred by not using reservations may be borne by the Corporation. Prior to coverage of the U.S. political conventions in 1968 it was necessary to make reservations and advance deposits for hotel accommodation through the Republican and Democratic housing committees in order to ensure availability of hotel accommodation for both CBC English and French network production personnel covering these conventions. In the case of the Republican convention, reservations had to be made before exact requirements were determined and $100 was forfeited when two of the rooms booked were not needed. At the time of the Democratic convention in Chicago, the accommodation reserved for the CBC was left unused due to the development of riots, which altered CBC coverage plans and led to arrangements for alternative accommodation, notably a move to other quarters in the interest of safety for CBC personnel who had originally been assigned a hotel in the midst of the riot area. A total of $700. was therefore forfeited in connection with the Chicago convention coverage.

[Mr. McNulty.]

[*English*]

DEPARTMENT OF ENERGY, MINES AND RESOURCES—PURCHASE OF BOATS

Question No. 1,339—**Mr. MacLean:**

1. Has the government ordered some yacht-type boats designed and built by DeVries Lentsch of Amsterdam, Holland for use by the Department of Energy, Mines and Resources and, if so, to what use are these boats to be put?

2. Were boat-building firms in the Atlantic Provinces invited to tender for the supply of these craft?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1. The Department of Energy, Mines and Resources has not ordered any yacht-type boats. A contract was awarded to the low bidder, Canadian Dredge and Dock Company Limited of Kingston, Ontario for a hydrographic survey launch to facilitate survey operations on the Great Lakes and also to provide services for conduct of the water quality survey program. This Company is importing a bare hull from DeVries Lentsch of Amsterdam, Holland to be fitted out in its own shipyard at Kingston. This procedure apparently is more economical than Canadian construction of the hull itself.

2. No.

NATIONAL FILM BOARD—FILM SERVICE

Question No. 1,374—**Mr. Korchinski:**

1. In the past two years, how many requests for films have been received by the National Film Board from each province?

2. In January of each year 1968, 1969 and 1970, how many requests for films were received by the National Film Board?

3. For the month of January 1970, what was the revenue derived for film service provided by the National Film Board?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows:

1.	1967-68	1968-69
British Columbia	41,786	78,616
Alberta	41,853	48,372
Saskatchewan	18,445	19,087
Manitoba	22,609	26,580
Ontario	166,552	197,116
Quebec	57,271	65,054
New Brunswick	12,635	14,222
Nova Scotia	19,421	19,966
Prince Edward Island	4,584	4,568
Newfoundland	8,875	12,737
	394,031	486,318

2. The figures requested for the month of January are not available as these statistics are compiled on a quarterly basis. Following are the figures covering a three-month period starting in January 1968 and 1969.

	March 31/68	March 31/69
British Columbia	17,876	27,445
Alberta	19,082	24,137
Saskatchewan	7,677	10,027
Manitoba	10,977	8,691
Ontario	104,456	101,200
Quebec	19,281	30,660
New Brunswick	3,347	4,853
Nova Scotia	4,742	7,033
Prince Edward Island	946	1,572
Newfoundland	2,292	4,768
	190,676	220,386

3. Revenue from film rentals in January 1970—$24,549.

[*English*]

DEPARTMENT OF ENERGY, MINES AND RESOURCES—ENGAGEMENT OF CONSULTANTS

Question No. 1,516—**Mr. Robinson:**

How many consultants have been engaged by the Department of Energy, Mines and Resources during each year 1950 to 1970 inclusive (a) what was the cost of the consultants (b) how were the consultants utilized (c) for what reasons were the consultants necessary?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): The requested information is not readily available in departmental records. To provide an accurate answer would entail costly expenditures and the hiring of additional staff to undertake the large amount of work which would be required to gather this information.

BEAUCE CONSTITUENCY—PUBLIC WORKS PROSPECTS

Question No. 1,534—**Mr. Rodrigue:**

What projects will be carried out by the Department of Public Works in the constituency of Beauce during the 1970-71 fiscal year and what is the amount involved in each case?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works):

Location	Project
Armstrong	Customs & Immigration Building Exterior lighting, paving and canopies.
Beauceville Ouest	Post Office Building
St. Gedeon de Beauce	Post Office Building
Ville St. George	Public Building—Alterations and improvements

It is not customary to give estimated costs before contracts are awarded.

[*English*]

DEPARTMENT OF AGRICULTURE—WHEAT INVENTORY REDUCTION PLAN

Question No. 1,544—**Mr. Southam:**

1. Has the federal Department of Agriculture received a communication from the Crop Science Department of the University of Saskatchewan which cautions farmers about summer-fallowing land two years running?

2. In connection with the federal government's Wheat Inventory Reduction Plan that is encouraging farmers to summer-fallow land for a second year, has the danger of wind and water erosion been taken into consideration, especially for large fields?

3. Has the federal Department of Agriculture considered strip-cropping or the seeding of a cover-crop in relation to the current Wheat Acreage Reduction Plan which advocates farmers summer-fallowing their land for a second straight year?

Hon. H. A. Olson (Minister of Agriculture): 1. No, but the Department is aware of the recommendations issued by the Crop Science Department of the University of Saskatchewan.

2. Yes. The Department is providing producers with information and advice as to procedures which should be followed.

3. Yes. Strip-cropping has been recommended and the Wheat Inventory Reduction Program allows the planting of cover crops where considered essential.

WHEAT ACREAGE REDUCTION PLAN

Question No. 1,546—**Mr. Southam:**

In relation to the planting of forage crop under the current Wheat Acreage Reduction Plan, would the government allow a forage nurse crop to be seeded in the Spring rather than July 15 as previously announced?

Questions

Hon. H. A. Olson (Minister of Agriculture): Yes, oats may be sown as a nurse crop before July 15th, 1970, but to retain eligibility for acreage payments, the oats must be cut down or otherwise dealt with in such a manner by July 15, 1970, as to render threshing of the crop impossible.

MEDICAL OFFICER TRAINING PROGRAM

Question No. 1,553—**Mr. Corbin:**

1. During each year 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969 and to date in 1970, how many officers enrolled in the Medical Officer Training Plan have applied for release from obligatory service?

2. For each year (a) how many officers were granted a release (b) what are the names of the individuals, the medical school or university attended and their home address at time of release (c) what were the 10 most common reasons invoked for release, in order of frequency?

3. For each year (a) how many officers were refused a release (b) what are the names of the individuals, the medical school or university attended and their home address at the time of application for release (c) what were the 10 most common reasons for refusing to grant a release, in order of frequency?

4. What is the procedure to follow in applying for release through "normal service channels"?

5. Are officers informed that they may apply for release and are they told what the "normal service channels" are at the time of their enrolment in the MOT Plan or subsequently?

6. What were the Medical Officer requirements in the Canadian Forces for each year 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969 and to date in 1970?

7. What are the terms or conditions of release from obligatory service?

8. (a) What formula is used to determine the Medical Officer requirement in the Canadian Forces (b) has that formula changed since 1960 and, if so, in what way?

9. How many medical students and interns are presently enrolled in the MOT Plan?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1, 2 and 3. Records are not maintained in a manner which would permit this information to be readily identified.

4. An officer enrolled in the Medical Officer Training Plan seeking release submits a letter or memorandum to his base commander, through his university liaison officer, stating his reasons for requesting release. The base commander, or an officer delegated by him, then submits his comments and recommendations to Canadian Forces Headquarters for consideration.

5. Yes.

[Mr. Southam.]

6. Annual requirements vary and depend upon a number of factors, such as the number of medical officers resigning or being released each year, the number graduating from the Medical Officer Training Plan and entering the Forces, manning levels, etc. Since integration in 1964, enrolment quotas for the Medical Officer Training Plan have been as follows: 1965-66, 55; 1966-67, 50; 1967-68, 1968-69, 1969-70, 65.

7. An officer who, due to special or unforeseen circumstances, applies for and is granted his release at any time before the completion of a three year term of fulltime service as a medical officer (effective from the date he completes his internship) is required to reimburse the Crown for the total cost of academic and internship training, including pay and allowances and financial benefits granted, or such portion thereof as the Minister of National Defence may direct.

8. (a) Within the Canadian Forces, the establishment summary details the number of positions at each rank level that may be filled by medical officers. (b) Prior to integration in 1964, the requirements for medical officers was calculated for each of the three services, whereas now it is calculated in total for the Canadian Forces.

9. As of March 31, 1970, 162 medical undergraduates and 49 interns are enrolled in the Medical Officer Training Plan.

COMPANY OF YOUNG CANADIANS—MENDELSOHN REPORT

Question No. 1,575—**Mr. Rose:**

1. When does the government expect Mr. Maxwell Mendelsohn to file his report on the Company of Young Canadians?

2. Will Mr. Mendelsohn's report include an evaluation of the administrative performance of the ex-Director, Mr. Claude Vidal?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): 1. Mr. Mendelsohn has not been asked to file a report on the Company of Young Canadians.

2. No evaluation of the administrative performance of the Executive Director, Mr. Claude Vidal, has been requested.

[*English*]

MARITIME COMMAND—PERSONNEL ALLOWANCES WHEN REFITTING SHIPS

Question No. 1,582—**Mr. McCleave:**

Has the Department of National Defence or the Department of Supply and Services (or the former Department of Defence Production) carried out

special studies to determine the costs of travel and accommodation of service personnel when ships of the Canadian Armed Forces leave Halifax for repair or refit in shipyards outside the Halifax area and, if so, who carried out the studies and what were the conclusions?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Yes, a study has been conducted by Canadian Forces Headquarters and Maritime Command Staffs. Preliminary conclusions reached were that the number of crew could be reduced from about 100 to about 40 if the crew work package is contracted on a DDE. The studies are continuing in order to achieve a broader base of experience and establish final conclusions.

ROYAL COMMISSION ON THE STATUS OF WOMEN REPORT

Question No. 1,607—**Mr. Mather:**

When is the Report of the Commission on the Status of Women expected?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): I am informed by the Royal Commission as follows: The Commission is making every effort to have its report completed by the end of June 1970.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ADVANCEMENT OF INDUSTRIAL TECHNOLOGY —GRANTS TO FIRMS

Question No. 162—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Program for the Advancement of Industrial Technology administered by the Department of Industry, Trade and Commerce and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Program for the Advancement of Industrial Technology and (b) in each case, what was the total financial grant or incentive allotted?

Return tabled.

DEFENCE DEVELOPMENT SHARING—GRANTS TO FIRMS

Question No. 165—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants by incentives under the Defence Development Sharing program, administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Defence Development Sharing Program, and (b) in each case, what was the total financial grant or incentive allotted?

Return tabled.

DEFENCE EXPORT MODERNIZATION—GRANTS TO FIRMS

Question No. 167—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Defence Export Modernization Program, administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Defence Export Modernization Program, and (b) in each case, what was the total financial grants or incentive allotted?

Return tabled.

SHIP CONSTRUCTION SUBSIDIES—GRANTS TO FIRMS

Question No. 169—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Ship Construction Subsidy Program administered by the Department of Industry, Trade and Commerce, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Ship Construction Subsidy Program, and (b) in each case, what was the total financial grant or incentive allotted?

Return tabled.

Mr. Orlikow: Mr. Speaker, on December 19, almost four months ago, I put down Question No. 773 asking for information about a study on housing policy or urban problems being conducted on behalf of the Minister without Portfolio in charge of housing. It seems to me the answers are factual and ought to be available. I wonder when I might receive a reply?

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I shall inquire from the minister involved.

Motions for Papers

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion (papers) No. 220 is acceptable to the government.

[*English*]

Mr. Speaker: Is it the pleasure of the House that Notice of Motion No. 220 be deemed to have been adopted?

Some hon. Members: Agreed.

COMPUTER SIMULATION IN AUTOMOTIVE INDUSTRY

Motion No. 220—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Stevenson and Kellogg Limited on computer simulation in Canadian automotive industry undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, notices of motions Nos. 198 and 391 are acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations or conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Notices of Motions Nos. 198 and 391 be deemed to have been adopted?

Some hon. Members: Agreed.

SHUSWAP RIVER DIVERSION PROJECT

Motion No. 198—**Mr. Rose:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this house a copy of all information, studies, correspondence and other documents exchanged between the Government of Canada and the Government of British Columbia, relating to the proposed Shuswap River diversion project since January 1, 1969.

Motion agreed to.

AGREEMENT WITH MANITOBA, FRESHWATER FISH MARKETING ACT

Motion No. 391—**Mr. Osler:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of the federal-provincial agreement with the Province of Manitoba which established the participating status for that Province under the Freshwater Fish Marketing Act.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you be so kind as to call notices of motions Nos. 41, 76, 252, 254, 292, 323, 377, 379 and 399?

I ask that the remaining notices of motions be allowed to stand.

[*English*]

PROPOSED NATIONAL SECURITIES BILL

Motion No. 41—**Mr. Benjamin:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all corespondence between the Government of Canada and the provincial governments regarding the proposed National Securities Bill for Canada.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member for Regina-Lake Centre (Mr. Benjamin).

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the discussions with provincial governments about proposed federal securities legislation have taken place not by correspondence but through a series of meetings of the Federal-Provincial Committee of Officials on Financial Institutions and Securities Regulation, and more recently between myself and the provincial ministers concerned. Because of this there is no correspondence, or else the correspondence that is required in this motion is of no material substance, and I would request the hon. member to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Speaker: The motion is dropped.

Motion dropped.

LOBBYING

Motion No. 76—**Mr. McGrath:**

That an Order of the House do issue for a copy of each interim and final report on lobbying prepared for the Minister of Consumer and Corporate Affairs.

Mr. McGrath: Stand.

Mr. Speaker: Stand.

[*Later:*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I believe the hon. member for St. John's East would like to recall Motion No. 76 which was stood a moment ago.

Mr. McGrath: That is right, Mr. Speaker; you were going so fast that I could not find my motion and that is why I asked that it stand.

Mr. Basford: Mr. Speaker, the material referred to in this motion is part of a continuing study which was never intended for other than internal use by officials of my department and me. In view of this, the data collected is privileged and I would ask whether the hon. member would withdraw his motion.

Mr. McGrath: Transfer for debate.

Mr. Speaker: Transferred for debate.

TEXTILES STUDY

Motion No. 252—**Mr. Gilbert:**

That an Order of the House do issue for a copy of the study on textiles as reported in the Annual Report of the Department of Industry, Trade and Commerce, April 1, 1967-March 31, 1968, on pages 51-52.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to advise the hon. member that he placed the same motion on the Order Paper last year and it was dealt with on June 11, 1969, as recorded in *Hansard* at page 9992. The minister feels that he cannot accept this motion as the study contains information provided in confidence to the department on the understanding that it not be disclosed. Such disclosure would prejudice the department's ability to obtain similar information in the future. In view of this the minister hopes the hon. member will withdraw his motion.

Mr. Gilbert: Mr. Speaker, the reason I put it on a second time was that I hoped the minister would change his mind. I ask that it be transferred for debate.

Mr. Speaker: The motion is transferred for debate.

CHEMICAL INDUSTRY REPORTS AND STUDIES

Motion No. 254—**Mr. Gilbert:**

That an Order of the House do issue for a copy of all reports and studies related to the chemical industry as reported in the Annual Report of the Department of Industry, Trade and Commerce, April 1, 1967-March 31, 1968, on page 51.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to advise the hon. member that he may recall having asked for this study last June and the Minister at that time was not able to provide the material requested. I am informed by the minister that this is still the case. This study is based largely on information supplied in confidence to the Department of Industry, Trade and Commerce from Canadian industry. In view of this the minister would ask the hon. member to withdraw his motion.

Mr. Gilbert: Transfer for debate, Mr. Speaker.

Mr. Speaker: Transferred for debate.

STUDY OF EFFECTS OF NICKEL PRICE INCREASE

Motion No. 292—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the study on the effects of the increase in the price of Canadian nickel as mentioned by the Minister of Industry, Trade and Commerce and reported in *Hansard* of December 2, 1969, on page 1485.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that the study in question was done by departmental officials and as such does not exist in the form of a report which could readily be tabled. However, calculations on the price in question have been summarized and could be tabled if this would serve the purpose of the hon. member. If the hon. member accepts this and withdraws his motion we would be prepared to do this immediately.

Mr. Saltsman: That is acceptable, Mr. Speaker.

Mr. Speaker: The motion is dropped.

Motion dropped.

CONSUMER LOAN INTENTIONS—RETURNS BY FINANCIAL INSTITUTIONS

Motion No. 323—**Mr. Saltsman:**

That an Order of the House do issue for copies of all returns submitted to the Department of Consumer and Corporate Affairs by Canadian financial institutions regarding information on consumer loan intentions in 1970 as requested by the Department.

Motions for Papers

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, with reference to this motion I wish to inform the hon. member that this information too was supplied on a confidential basis, and in view of this I would ask the hon. member to withdraw the motion.

Mr. Saltsman: I am sorry, I cannot, Mr. Speaker.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: The motion is transferred for debate.

WHEAT BOARD REGULATIONS—CORRESPONDENCE WITH PROVINCIAL MINISTERS OF AGRICULTURE

Motion No. 377—**Mr. Southam:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and the Ministers of Agriculture of the Provinces of Saskatchewan, Alberta, Manitoba and British Columbia, concerning the application and enforcement of the Regulations of the Canadian Wheat Board, between December 1, 1969 and January 31, 1970.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Hon. Otto E. Lang, Minister without Portfolio, that no correspondence has been exchanged between the government of Canada and the Ministers of Agriculture of the governments specified in this motion related to application and enforcement of the regulations of the Canadian Wheat Board between the stated dates. In view of this the minister would ask the hon. member kindly to withdraw his motion.

Mr. Southam: I so agree, Mr. Speaker.

Mr. Speaker: The motion is dropped.

Motion dropped.

WHEAT BOARD REGULATIONS—CORRESPONDENCE WITH PROVINCIAL PREMIERS

Motion No. 379—**Mr. Southam:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and the Premiers of the Provinces of Saskatchewan, Alberta, Manitoba and British Columbia, concerning the application and enforcement of the Regulations of the Canadian Wheat Board, between December 1, 1969 and January 31, 1970.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Hon. Otto E. Lang, Minister without Portfolio, wishes to advise that there is no correspondence between the government of Canada and the premiers of the provinces of Alberta, British Columbia and Manitoba concerning the application and enforcement of the regulations of the Canadian Wheat Board between the specified dates. An exchange of correspondence has taken place between the Minister without Portfolio (Mr. Lang) responsible for the Canadian Wheat Board and the premier of the province of Saskatchewan. The premier of Saskatchewan was approached concerning the tabling of this correspondence and he has expressed the wish that this correspondence not be tabled. In view of this the minister would wish to accede to this request and not table any of the exchange, and would ask the hon. member to withdraw his motion.

Mr. Southam: Agreed.

Mr. Speaker: The motion is dropped.

Motion dropped.

STUDY OF EFFECT OF FREIGHT RATE INCREASES ON REGIONAL ECONOMIC EXPANSION

Motion No. 399—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the study undertaken in the Department of Regional Economic Expansion regarding the effects of increase in freight rates on regional economic expansion as mentioned by the Minister of Regional Economic Expansion and reported in *Hansard* of March 18, 1970 at page 5184.

Mr. Stanley Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member for Moose Jaw, Mr. Speaker.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the study is part of a continuing assessment of how the slow growth regions of Canada might be affected by a great variety of possible policies and changes in economic circumstances. Such studies are not designed to produce formal reports. In view of this I would ask the hon. member if he would kindly withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Transfer for debate.

Mr. Speaker: Transferred for debate.

Mr. Barnett: Mr. Speaker, I wonder if I might address an inquiry to the Minister of Transport who is usually very co-operative in

these matters. When may I expect the production of the document requested in Motion No. 395? It is a simple matter of annual financial reports of a public body incorporated by an Act of this House. The Act requires that the financial report be tabled annually by the minister. This motion has been on the Order Paper for nearly a month and I am wondering when it will be dealt with.

Mr. Jamieson: Mr. Speaker, I must confess I have no idea why this has not been brought forward more rapidly and I do not see any reason for the delay. I shall look into it immediately.

Mr. Speaker: Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—REQUEST FOR STATEMENT ON PROGRESS OF DISCUSSIONS WITH ORGANIZED LABOUR

Hon. George Hees (Prince Edward-Hastings): I should like to direct a question to the Minister of Consumer and Corporate Affairs. As the Prime Minister stated in the House on March 16 that conversations were continuing between the Prices and Incomes Commission and the leaders of organized labour, would the minister take the first opportunity on motions to outline to the House what progress the Prices and Incomes Commission has made in persuading the leaders of organized labour to give that co-operation without which no inflation control program is feasible?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not sure what recent conversations have been held. The chairman of the Prices and Incomes Commission discussed this matter in a speech yesterday in Calgary, which the hon. member may know about. I shall discuss the matter with the chairman and see whether it would be appropriate to make a further statement.

EXTERNAL AFFAIRS

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs regarding the transportation of a large quantity of nerve gas from Okinawa to Bangor, Washington, passing through the Strait of Juan de Fuca. In view of the growing concern in the United States and Canada regarding the hazard which might follow any mishap, I should like to ask the Secretary of State for External Affairs if he can tell the House whether there has been communicated to him the date on which this shipment will take place, what precautions are being taken, and if the minister is satisfied with those precautions as they affect the lives of Canadian citizens?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, in answer to the first question, I do not think that the United States government has yet made a decision on the date of shipment. As to the second question, we have received from the United States government, in response to our request for information and our expressions of concern, information about the precautions being taken. This information is being studied by the government. We are also expressing to the United States government, more formally than in the past and on the basis of the information received, the grave concern we have about the possibility of an accident.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. May I ask the minister if he intends to ascertain the date when the shipment will take place and if he intends to have his study completed in sufficient time so that the government of Canada can express to the government of the United States any concern it may have about the inadequacy of the precautions which are being taken?

Mr. Sharp: Mr. Speaker, it is my understanding that the United States government has not yet made a decision as to when the shipments will begin. On the second point, we are of course concerned notwithstanding the kinds of precautions that are being taken. We understand these are very thorough and very extensive. But there always remains the possibility of an accident, and therefore it would not matter what information we received about these precautions; we would still have reason for the concern that I have expressed to the United States government.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker, to the Minister of National Defence. Are the E.M.O. forces of the country aware of the possibible transportation of this

nerve gas, and, what steps will they be taking to provide against any mishap which may occur?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I know that the Department of National Health and Welfare is concerned about this problem, as is the Department of National Defence. So far as the Department of National Defence is concerned, my hon. friend knows from my repeated answers in the House that we have an expertise in precautionary measures against these dangers, and no doubt if the situation warrants our being alerted in a special way we will respond to whatever the indicated danger is.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. The Secretary of State for External Affairs quite properly has stated that no matter what precautions may be taken there will still be the danger of an accident. Our Emergency Measures Organization does not have the facilities to meet any potential danger in this connection, and the minister has mentioned that naturally there are certain experts in his department who would have some solution for such a situation. Because the people in Vancouver and Victoria are greatly concerned, I ask whether there are available at the coast today any officers of the armed forces trained particularly in this field who would be available to meet an emergency when these five tugs that are going to bring this gas start through the strait?

Mr. Cadieux (Labelle): Mr. Speaker, the answer as to whether we have qualified and trained personnel in this instance is obviously yes. We have been conducting for a number of years experiments at the Suffield establishment and I am confident that we have the ability to deal with the situation confronting us. Whether those men are stationed now on the west coast I do not know, but obviously if a situation arises which necessitates their being stationed on the west coast they will be.

Mr. Diefenbaker: Mr. Speaker, will the minister give the assurance that he will give instructions that those who have this particular scientific training will be placed on the coast to meet any potential emergency?

Mr. Cadieux (Labelle): Mr. Speaker, I can give the assurance that as soon as we are informed that the shipment is coming we shall have such personnel on hand on the west coast.

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

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a supplementary question to the Minister of National Defence. In view of the concern over the shipment of this gas, can the minister indicate whether there is really anything that the Emergency Measures Organization could do, besides evacuating the area, in case of accident?

Mr. Cadieux (Labelle): Mr. Speaker, this is really a speculative question. I really do not know how to answer a question like that. All I can say is that we have an expertise in taking defensive measures in situations of that kind. That is all I can say. If a situation arises where we should have qualified personnel in attendance on the west coast to be ready for any emergency, then I can give the assurance that we will have this personnel.

Mr. Saltsman: A supplementary question. Is it not important at this time, in view of the experience that most people have had with nerve gas and the conclusion they have reached that there is no antidote or protection against nerve gas, to inform the nation to this effect?

Mr. Cadieux (Labelle): The hon. member is making an assertion that I contest. We could, of course, get into a long debate; however, I would need to have technical people to advise me in order to rebut what the hon. member said. In answering questions from the opposition I have been asserting all along that the establishment is very useful in developing defensive measures against occurrences of that kind.

PLACE OF MANUFACTURE AND PRECAUTIONS TAKEN IN SHIPPING NERVE GAS TO OKINAWA

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, may I direct a further supplementary to the Secretary of State for External Affairs. For the information of this House could he establish whether this nerve gas in fact was manufactured originally in the United States and shipped from there to Okinawa? If so, what special security precautions were taken at that time with the shipment, and what route did it take then?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I will take that question as notice.

AUDITOR GENERAL

INTENTION OF GOVERNMENT RESPECTING POSITION AND ROLE

Mr. G. W. Baldwin (Peace River): I have a question for the Acting Prime Minister. In view of the fact the government's confrontation with the Auditor General has now reached acute, if not crisis, proportions, will the government now come clean and tell the people of Canada precisely what it intends to do so that the Canadian people will know if there is any reason for the great alarm that is being expressed universally throughout this country?

Mr. Speaker: Order. The hon. member will realize it is difficult for the Chair to accept a question couched in those terms. If the hon. member wants to rephrase the question, it will be easier for the Chair.

Mr. Baldwin: Having expressed my sentiments, I will now contract the question. Will the Acting Prime Minister inform the House precisely as to the government's intentions with regard to the position and the role of the Auditor General?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Perhaps Your Honour will permit me to comment on the first question. There is no confrontation between the government and the Auditor General.

Some hon. Members: Oh, oh!

Mr. Sharp: I hope that members of the opposition will agree with the government that the role of the Auditor General should be clear beyond any doubt.

Some hon. Members: Oh, oh!

Mr. Sharp: That is the only purpose for any action the government may take. I hope the members of the opposition will join with us in trying to get this situation settled.

Mr. Baldwin: A further supplementary question. In view of the fact that the pertinent provisions of the Financial Administration Act have stood unassailed for a great many years, can the minister indicate why there is now any doubt as to the role of the Auditor General?

Mr. Sharp: Mr. Speaker, there have been some doubts expressed—

Some hon. Members: By whom?

Mr. Sharp: —not only in this House but outside the House—

Some hon. Members: By whom?

Mr. Sharp: —about whether the kind of reports that have been made are fully within the responsibilities of the Auditor General. I think it is very important for the health—

An hon. Member: Of this government.

Mr. Sharp: —of this establishment that the responsibilities of the Auditor General should be unquestioned. That is our purpose. I hope it is the purpose of the opposition.

OPINION OF LAW OFFICERS ON JURISDICTION

Mr. Eldon M. Woolliams (Calgary North): In view of the answer of the Secretary of State for External Affairs to the effect that he is interested in defining the jurisdiction of the Auditor General, may I address a question to the Minister of Justice. Has the Acting Prime Minister, the Prime Minister or any other member of the cabinet asked for the opinion of the law officers as to the jurisdiction of the Auditor General with reference to this confrontation?

Hon. John N. Turner (Minister of Justice): I am taking the position that the rules respecting the matter of advice which under statute I am from time to time required to give to the Prime Minister and other members of the cabinet protect any advice I might give or, indeed, whether advice has been sought or given, and I am going to maintain that position again today.

Mr. Woolliams: I rise on a question of privilege. Yesterday a minister of the government said that he had sought information and advice from the law officers of the Crown. That is recorded in yesterday's *Hansard*. One minister cannot have his cake and another try to eat it. Either they can tell us that information or they cannot. I say it is a privilege of this House to know whether advice has been sought. I have not asked for the legal advice. I merely asked if advice was sought. The Minister of Justice is hiding because he is frightened of the Prime Minister and his dictatorial attitude.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I ask the Prime Minister a supplementary question arising out of his comments about curtailing the role of the Auditor General? Are we to take his statement to mean that the government's idea of a just society is one in which the propagandists are appointed and the critics are fired?

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I suggest that the question is not in order and I doubt whether it would be in order to reply.

Mr. Sharp: I rise on a question of privilege. I have never suggested at any time that the functions of the Auditor General should be curtailed.

Hon. George Hees (Prince Edward-Hastings): A supplementary question to the Acting Prime Minister. If, as the Acting Prime Minister has just stated, there is no confrontation between the government and the Auditor General, will the Acting Prime Minister request the President of the Treasury Board and the President of the Privy Council to stop snapping at the heels of the Auditor General and causing him such embarrassment?

CANADIAN SOVEREIGNTY

ARCTIC POLLUTION, TERRITORIAL SEA LIMITS —REPLY TO U.S. NOTE—PUBLICATION OF NOTES

Mr. Warren Allmand (Notre-Dame-de-Grâce): I have a question for the Secretary of State for External Affairs. Will the minister tell the House whether a reply has been prepared to the note from the United States regarding the Arctic? If so, is he prepared to make it public in this House?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Perhaps I ought to say first, Mr. Speaker, that we have received a note from the United States respecting the legislation introduced in this House. The reply to that note is in course of preparation. Today the United States Secretary of State also released a statement of the position of the United States. This has been made public. The question of whether the notes themselves should be published is a rather delicate one which strikes at the roots of interchanges between governments. I hesitate to say that we will publish these notes. It will depend upon the views of both the United States government and our own government regarding the wisdom of such action. The statement made by the Secretary of State of the United States in relation to our legislation gives a very clear indication of how that government views our legislation.

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question. Has Canada asked permission to publish the notes if the United States government has no objection?

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

Mr. Sharp: Mr. Speaker, I asked my Under-Secretary to raise the question informally with the United States. The view of the United States government, which I can understand and for which I have some sympathy, is that it is better to avoid the publication of these kinds of notes and to rely upon the ordinary communications that take place in public. There are occasions when it is very desirable that governments should be able to exchange views confidentially.

Mr. Fairweather: A further supplementary. I appreciate that, Mr. Speaker, but can the minister dispel the unpleasant news stories contained today in such newspapers as the *Wall Street Journal* that the United States note threatened economic sanctions? I think this should be dispelled if it is not true.

Mr. Sharp: Mr. Speaker, I can deny that part of the statement categorically. There is no reference whatever in the note to any such retaliation.

Mr. David Lewis (York South): I have a supplementary question. Without being happy about the minister's suggestion that the notes may not be published, in view of the fact that a debate on the relevant legislation will begin in the House tomorrow I ask the minister if he will do two things. First, will he ask the House to append the statement of the Secretary of State of the United States to today's *Hansard*? Second, will he undertake to issue a summary or statement of the reply Canada makes to Washington with regard to the note the government has received so that we may at least have in communiqué form the position of both governments?

Mr. Sharp: Mr. Speaker, I sympathize with the desire of the hon. member. I have a copy with me today of a telegraphed report of the statement released by the State Department at noon today, and I would be happy to have this inserted in *Hansard*. It is my intention tomorrow to take part in the debate on the Arctic waters pollution bill and I shall be making an extensive reply, in the course of dealing with other matters, to the contentions of the United States.

Mr. Speaker: Is it agreed that the document referred to be appended to today's *Hansard*?

Some hon. Members: Agreed.

[*Editor's Note: For document referred to above, see Appendix "A".*]

Mr. Lewis: I do not intend to participate in the debate tomorrow but my leader will. Unless the Secretary of State for External Affairs happens to be speaking first for the government on the bill, his survey of the situation will not be of very much help to those who speak ahead of him. I therefore ask him whether he would not consider placing on the table a full communiqué regarding Canada's reply to the United States note.

Mr. Sharp: I would have no objection, if it met with the approval of the House, to speaking out of turn; it had been my intention to be the second speaker from the government side, but if the House would like me to follow more closely after my colleague the Minister of Indian Affairs and Northern Development I would be happy to do so.

Right Hon. J. G. Diefenbaker (Prince Albert): Since the Secretary of State for External Affairs has seen fit to answer the question whether or not there was any threat of sanctions in the note, can this not be taken as the basis for the House having the right to see this document and ascertain what, in fact, are the true circumstances rather than to accept the interpretation of the minister? Surely he should be willing to produce this document. If he is not, which appears to be the case, will he say whether there is any justification for the report over United States radio and in the press of that country that it will be too bad for Canada if the policies of the present government in connection with northern sovereignty and anti-pollution are carried out?

Mr. Sharp: Let me make it clear that I have no objection whatever to the publication of the notes, in terms of the notes themselves. But the right hon. gentleman was once Prime Minister and he knows that sometimes it is better to keep exchanges of this kind confidential.

An hon. Member: Quiet diplomacy.

Mr. Sharp: It is practiced universally throughout the world in appropriate circumstances. But I take the comments of the right hon. gentleman very seriously. I certainly would not wish there to be any misunderstanding, any impression that there is something being withheld, and I will raise the question with my counterpart, the U.S. Secretary of State, to find out whether he would agree to make an exception in this case. Nor would we have any objection to the publication of the reply.

Mr. Diefenbaker: Then I ask the minister this: does he intend to allow, without comment or complaint, the right of the United States to issue a press summary of the objections expressed in the note without the note itself being produced? Surely that would be a complete breach of diplomatic practice by the United States.

Mr. Sharp: The right hon. gentleman misunderstands the nature of the statement released by the Secretary of State.

Mr. Diefenbaker: I saw it.

Mr. Sharp: The Secretary of State was expressing the views of the United States in that published statement. He also expressed the views of the United States government to the government of Canada in a separate note. This happens from time to time. It happens on many occasions, and I do not think the United States is to be faulted in that respect. I do understand, however, that it would be most undesirable if rumours were to get about that there was something hidden in this note which was reprehensible or which would produce friction between the two countries.

Hon. George Hees (Prince Edward-Hastings): Is it the intention of the government to remain firm in the stand it has taken in this regard or to back down ignominiously as it so often has in the past?

Some hon. Members: Oh, oh!

Mr. Hees: May we have an answer, Mr. Speaker?

Mr. Speaker: Order.

Mr. Douglas A. Hogarth (New Westminster): Is the whole basis of the minister's position with respect to these notes the application of protocol with regard to such communications generally, or is there anything particular in these notes which would prevent their publication?

Mr. Sharp: These are notes of a kind which are exchanged from time to time between governments. There is nothing exceptional about them. There may, however, be exceptional circumstances in which, in order to avoid misunderstanding between two countries, they should be published. That would be the only reason for urging the Secretary of State to abandon the general rule.

Mr. Fairweather: I should like the minister to consider taking this course: tomorrow, he says, he is participating in the debate. If the

debate is not to be held in a vacuum, this note ought to be available to us. Otherwise, let us postpone the debate.

Mr. Sharp: I will certainly put that point to my counterpart in the United States in relation to the desirability of publishing the note. On the other hand, I would not be so discourteous as to publish it without the consent of the United States government.

ARCTIC POLLUTION, TERRITORIAL SEA LIMITS —UTILIZATION OF INFORMATION CANADA TO DRAFT PRESS RELEASE

Mr. J. P. Nowlan (Annapolis Valley): I have a question I should like to address to the Minister without Portfolio in charge of Information Canada. Would the hon. gentleman consult with his colleague, the Secretary of State for External Affairs, and draft a press release in reply to the United States press release utilizing the services of Information Canada to answer the statements made in Washington?

Hon. Robert Stanbury (Minister without Portfolio): I am always happy to consult with the Secretary of State for External Affairs.

Mr. Nowlan: Yes, but after consulting with him, would the minister act in a constructive way? It might be the only constructive thing done by Information Canada.

POLLUTION

PHOSPHATE DETERGENTS—DOOR-TO-DOOR DISTRIBUTION OF ARCTIC POWER

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs which has its relevancy to the questions that have just been asked, as Your Honour will notice. In view of the fact that a considerable number of Edmonton women are protesting against the unsolicited dumping on their doorsteps of Arctic Power, a high phosphate detergent, will the minister consider measures to protect these and other consumers from unwarrantable invasion of their privacy?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I will examine the situation to see whether it is within the terms of reference of the Arctic pollution bill.

Some hon. Members: Oh, oh!

Mrs. MacInnis: Will the minister seek some unprotected legal advice on this matter from the Minister of Justice?

[Mr. Fairweather.]

DISCHARGE OF MERCURY INTO ST. LAWRENCE RIVER

Mr. Lloyd R. Crouse (South Shore): I wish to address a question to the Minister of Fisheries. It has to do with pollution. In view of the past experience of the government in connection with mercury discharges similar to those attested to by three offending Quebec companies, and since two of these companies are situated on rivers which flow into the St. Lawrence in areas where commercial fisheries are valued at between $250,000 and $350,000 per year, will the minister consider undertaking an immediate examination of the situation of these companies in order to determine, before the fishing season opens, the amount of mercury discharged, and would he then enforce measures to end mercury discharges from these sources?

Hon. Jack Davis (Minister of Fisheries and Forestry): Plans are under way to investigate the sources referred to. Fish downstream of those locations are being tested in Winnipeg at the present time. Our inspection service is also testing all fish destined for sale. None are being released which show any degree of contamination. We have not run into any incident of that kind as yet.

HISTORIC SITES

ACQUISITION OF RESIDENCE OF SIR ROBERT BORDEN

Mr. Heath Macquarrie (Hillsborough): I have a question for the Minister of Indian Affairs and Northern Development; it is so urgent that it may already be too late.

Some hon. Members: Oh, oh.

Mr. Macquarrie: I wish to ask the minister whether, through the Historic Sites and Monuments Board or through other arrangements, anything is being done to acquire for the nation Glensmere, the long-time residence of Sir Robert Borden, which is now in imminent danger of demolition?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am aware of that problem. Of course, we consider that that residence has historical significance. However, from the information on hand, our appropriations are not sufficient for us to purchase that residence, the price of which seems quite high.

[*English*]

POLLUTION

INQUIRY AS TO LEGISLATION TO PROTECT ATLANTIC AND PACIFIC COASTAL WATERS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address a question to the Minister of Transport. Can he tell us whether it is the intention of the government to introduce legislation in respect of our Atlantic and Pacific coasts which will provide parallel protection against pollution from shipping to that which is being proposed in the bill in respect of the Arctic, so far as our territorial and contiguous zones are concerned?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. As I have indicated on a number of previous occasions it is my hope to bring forward a considerable number of amendments to the Canada Shipping Act during the current session. I have, on the best advice available, felt that it was wise to withhold this until we see the ultimate fate of the Arctic waters bill in the House because the two are more or less companion pieces of legislation. The amendments will be brought in as soon as possible.

HARBOURS

CARIBOU, N.S.—IMPROVEMENTS TO FERRY TERMINAL

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a question for the Minister of Transport. Following the Easter recess, can the minister now advise when tenders will be called for work on the ferry terminal at Caribou, which is the Nova Scotia base for the P.E.I.-Nova Scotia ferry service?

Hon. Donald C. Jamieson (Minister of Transport): Within a very short time, Mr. Speaker. I had some conversation with the government of Nova Scotia and the plans have been drawn. I have seen them within the past two or three days. The obective is, as I understand it, to get the work finished within the 1970 calendar year.

Mr. MacEwan: I have a supplementary question, Mr. Speaker. I wonder whether the minister can advise us that the government is still considering the possibility of a third ferry for that service?

Mr. Jamieson: Yes, Mr. Speaker.

Inquiries of the Ministry

INQUIRY OF THE MINISTRY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of National Defence and he can take it as notice if he wishes. I would ask him whether the bulldozer airdropped by the armed forces in western Canada was the same bulldozer used by a Liberal minister in starting the construction of the P.E.I. causeway before an election?

Some hon. Members: Oh, oh!

INDIAN AFFAIRS

ADVICE BY CONSULTANTS ON ACHIEVING ACCEPTANCE OF POLICY—HIRING OF W. I. C. WUTTUNEE

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Because of the rejection by Indian people in various parts of Canada of the government's proposals for a new Indian policy, has the government hired or entered into a contract with a consultant or consultants to advise the government on means of gaining acceptance of this new policy by the Indian people?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have met with several people and inquired about the best ways to air the new Indian policy. We have hired several persons to give us information on publicity, and so on. However, I do not know exactly whom the hon. member is alluding to. If he would be more specific, I should be glad to reply.

[*English*]

Mr. Simpson: I have a supplementary question, Mr. Speaker. I should like to ask the minister whether Mr. W. I. C. Wuttunee, who has been such a strong advocate of this new policy, was hired on a $200 per day, plus expenses, government retainer to advise the government on means of getting the Indians to accept the new policy?

Mr. Speaker: Order, please. I think the supplementary question should be placed on the Order Paper.

Mr. Orlikow: I have a question for the Minister of Indian Affairs and—

Mr. Speaker: Order, please. I believe the hon. member has a point of order.

Inquiries of the Ministry

Mr. Simpson: Mr. Speaker, I rise on a question of privilege that not only affects the members of this House but a large majority of the Indian people of Canada. I asked the question because the government has indicated on many occasions in the House that it will not put this policy into effect without full consultation with the Indian people. The Indian people have interpreted this as being an indication that the government is willing to accept amendments to the new policy. We now learn that the government has asked for the opinion of these consultants as to how to gain acceptance of the policy by the Indian people, and as it now stands I think a question of privilege is justified.

Mr. Speaker: Order, please. The hon. member will appreciate that it is difficult for the Chair to place that interpretation on the question he has asked. In view of the hon. member's explanation and the fact that the minister is rising on the question of privilege he might be allowed to reply to the question.

Mr. Chrétien: Mr. Speaker, I should like to reply to the question of privilege. It is true that this man has been hired by the department as a consultant. He is a lawyer of Indian background. I want to point out that we spend thousands and thousands of dollars through the Indian Association. Many of them are not in agreement, but we hope to give them money to have a real public debate. We are happy to give them money to make sure that a public debate will take place and for the best facilities—

Mr. Speaker: Order, please.

DISCONTINUANCE OF SCHOOL LUNCH PROGRAM

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. Is it the policy of his department that all school lunch assistance, including lunches in public schools, milk, lunch tickets, and lunches prepared by lunch committees be discontinued as part of the government's austerity program?

Mr. Speaker: I should think that this question might be considered at the time of adjournment if the hon. member wants to discuss it at greater length.

[Mr. Speaker.]

CONSUMER AFFAIRS

VANCOUVER MILK PRICE INCREASE—ACTION BY GOVERNMENT

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. What steps is he taking or does he plan to take in regard to the increase in the price of milk in Vancouver yesterday?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, when rumours of such an increase occurred I referred the matter to the Director of Information and Research under the Combines Investigation Act who is inquiring into the matter. If any offences are committed, action will be taken. At the moment there has been only one increase, and I would hope other dairies would not increase—

Mr. Speaker: Order, please. I have allowed the minister to reply to the question, but I wonder whether this type of question is in order and whether we should during the brief time we have at our disposal from day to day ask about individual increases in prices of individual commodities in individual cities. I have some doubt whether this is in order. In any event, the hon. member has obtained the information he is seeking.

FISHERIES

APPOINTMENT OF PRESIDENT AND DIRECTORS OF CANADIAN SALTFISH CORPORATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to address a question to the Minster of Fisheries. When is it the intention of the government to appoint the president and the board of directors of the Canadian Saltfish Corporation, especially now that we have the anomalous situation of the chairman of the corporation having been named?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we will be announcing the appointment of the president hopefully this weekend, possibly on Friday or at the latest next Monday.

DEPARTMENTAL ACTION RESPECTING MARKETING OF SALTFISH

Mr. John Lundrigan (Gander-Twillingate): In view of the fact that the corporation is not off the ground and that the trade has been

eliminated from marketing, can the minister say what initiatives are being taken within his department in lieu of corporate efforts in order to have the fisheries of the east coast of Canada adequately represented in the trade markets?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, all possible initiatives have been taken with the particular help of the Department of Industry, Trade and Commerce abroad.

Mr. Lundrigan: In view of the fact that the minister has indicated that nothing more than initiatives are being taken, would he be prepared to make a statement on motions some time before the week is out in order to outline the work done, in view of the tremendous concern on the part of the fishermen and the trade as to the loss of markets on the part of the east coast industry?

Mr. Davis: The hon. member is really referring to the sale of this summer's catch of fish, as he well knows. We will be announcing prices for the first time in the history of the industry in May; that is the price the fishermen will receive during the summer. That is important. We will be able to sell this summer's catch readily, I am sure, and I hope at an improved price on the world market.

Mr. McGrath: Mr. Speaker—

Mr. Speaker: Order, please. I will allow a supplementary by the hon. member for St. John's East, but I must remind the House that we have only four minutes left.

Mr. McGrath: I will be brief, Mr. Speaker. I want to ask the minister whether there is anybody in the markets now booking orders so it can be determined what the price is going to be? Otherwise, what are you going to base the price on?

Mr. Davis: There is no one in the market now booking orders, but there is not normally at this time of year.

Mr. Lundrigan: On a point of order, Mr. Speaker, the minister in responding to the question certainly took advantage of the House to drop a couple of broad hints about the fisheries situation. Perhaps his hearing aid is not working correctly. Would he now take the opportunity to indicate whether he will make such a statement on motions? He did not indicate this in his previous response.

Mr. Davis: Mr. Speaker, I do not see the reason for a special statement in the House at this time, but we will be announcing the appointment of members of the directorate of this new corporation over the next couple of weeks. It will be fully established and operating within the next three or four weeks.

EXTERNAL AFFAIRS

GREECE—CRITICISM BY COUNCIL OF EUROPE—CANADIAN ACTION

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Following the resounding criticism by the Council of Europe of the government of Greece for its infringement of the civil liberties of its citizens, has the Canadian government taken any action in the form of constructive criticism made to its ally in NATO on this question?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the hon. member knows, the resolution of the Council of Europe was based upon a report the contents of which have not yet been made available to us. When the report is made available to us we may have something to say.

Mr. Broadbent: I have a supplementary question, Mr. Speaker. Would the minister try to speed up his action? He gave the same answer, in the same tone, four months ago.

[*Translation*]

PUBLIC BUILDINGS

MONTREAL—CONSTRUCTION OF COMPLEX

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to address a question to the Minister of Regional Economic Expansion.

Since three ministers were in attendance in Montreal yesterday when the announcement was made of the building of a $100 million complex according to a project designed by a French Canadian company, and as the government representatives gave an indication that they were willing to invest $30 million in the venture, could the minister inform the House how this amount of $30 million will contribute to the carrying out of the project?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, it will be a complex consisting of three towers.

[*Later:*]

Mr. La Salle: Mr. Speaker, I thank you for allowing me to repeat my question to the Minister of Regional Economic Expansion.

Inquiries of the Ministry

I was not being facetious at all when I asked the minister to tell us if the $30 million required to build this important complex would be supplied as grants or loans?

Mr. Marchand (Langelier): Mr. Speaker, this building is to be built and paid for by the federal government.

[*English*]

NATIONAL DEFENCE

PROGRAMS FOR RIVERS AIR BASE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of National Defence. It arises from a news release in Manitoba today that the remaining training units at Rivers are to be moved, one to Portage and one to Edmonton. Is the minister now in a position to indicate the programs that will be substituted for these units?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I hate to rely on the stock answer I have given for quite some time, but actually I have no immediate information that would be useful. We have alternative proposals but they have not yet come to fruition.

Mr. Dinsdale: Mr. Speaker, is the minister contemplating consultation on this matter with the communities concerned?

Mr. Cadieux (Labelle): I would, if I were sure this would help, but I do not think it would. So I am trying to do my best to fill the voids that are necessarily taking place, and I hope that eventually I will have good news to announce.

Mr. Speaker: Order, please. I think I should bring to the attention of hon. members that the question period expired about two minutes ago. However, with the indulgence and unanimous agreement of hon. members perhaps we might hear the hon. member for Elgin who has been waiting for a few days to ask a question. Also, the hon. member for Joliette has been deprived of the opportunity to ask a supplementary.

Mr. Dinsdale: Mr. Speaker, this is a matter of extreme urgency because it has just occurred. Perhaps I could direct my question to the Minister of Regional Economic Expansion. Will he be having consultations on the matter with the communities concerned?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I did not get the question, Mr. Speaker.

[Mr. La Salle.]

Mr. Speaker: Order. We might return to this question tomorrow. The hon. member for Elgin.

ADMINISTRATION OF JUSTICE

APPOINTMENT OF JUDGES

Mr. H. E. Stafford (Elgin): Mr. Speaker, I have a question for the Minister of Justice of which I have already given notice. In the exercise of the minister's established and proven impartial judgment, does he give first consideration to those judges who have proven their worth as members of the lower courts before appointments are made to higher tribunals?

An hon. Member: A question cannot be asked in that form.

Mr. Speaker: Order, please. Orders of the day.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, on a point of order, through one of those intuitive communications flowing between the House leaders I understand the government House leader is anxious to tell us the business for the remainder of this week and for next week.

Mr. Macdonald (Rosedale): Mr. Speaker, I shall be glad to place on the record the telepathic communication which has already taken place. Tomorrow, as hon. members know, we will consider Order No. 87, second reading and reference to the standing committee of Bill C-202. It is anticipated that this debate will continue on Friday. On Monday next we will consider Order No. 89, second reading of Bill C-204, to amend the Fisheries Act. Tuesday of next week will be an opposition allotted day. On Wednesday we will discuss Order No. 88, the bill in respect of the Territorial Sea and Fishing Zones Act. This will be followed by continuation of the debate on the national marketing council. Thursday of next week will be the final day of the budget debate.

PRIVILEGE

MR. WOOLLIAMS—OPINION OF LAW OFFICERS ON JURISDICTION OF AUDITOR GENERAL—REFUSAL TO ANSWER QUESTION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I rise on a question of privilege. I did not do so during the question period

because I knew members were waiting to ask questions of certain ministers. This matter arises from the question of privilege I raised earlier today. I should like to refer to page 5823 of *Hansard*, where the hon. member for Annapolis Valley asked the President of the Treasury Board whether he had sought legal advice from the law officers of the Crown. This is the answer given yesterday by the President of the Treasury Board:

Mr. Speaker, I have been advised by our legal advisers that we are proceeding entirely legally.

On the strength of that answer given by the President of the Treasury Board I asked the Minister of Justice whether the government had sought advice from the law officers in reference to the jurisdiction of the Auditor General. If the President of the Privy Council was entitled to give that kind of answer yesterday, how can the Minister of Justice try to hide under the rules and refuse to give the same answer to the same question on a different matter but basically on the same grounds? Surely that usurps the rules of the House, if it is not really a thrust against the integrity of those men sitting opposite.

Mr. Macdonald (Rosedale): Mr. Speaker, on the question of privilege, I gave no such answer yesterday.

Mr. Speaker: Order, please.

Mr. J. P. Nowlan (Annapolis Valley): It was the President of the Treasury Board, Mr. Speaker. The President of the Treasury Board was asked a question about Montreal and the hiring of postal employees. He was asked whether he had sought a legal opinion and whether this conflicted with the Public Service Employment Act. I did not ask what the opinion was, but the President volunteered that not only had he sought it but that he had been informed the government was proceeding legally.

So I think the point raised by he hon. member for Calgary North is most valid and most relevant because today, even though I can appreciate the difficulty of the Minister of Justice, the hon. member for Calgary North was not asking for the opinion; he was asking whether an opinion had been sought. From my brief experience here, and I think the experience of all other hon. members, surely this is a type of question which can be asked. We cannot find out what the opinion is but we can certainly ask if an opinion has been sought, and this answer has to come from the Department of Justice or the Solicitor General.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, if I might I should like to say a word in respect of the question of privilege. I think the position I have taken has been well established under our rules and under the rule of the House at Westminster, and I maintain my position.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, on the question of privilege may I say that I found considerable fault with government members in this regard when the Devco situation was examined. Members of the government cannot distinguish between the law officers of the Crown and the legal officers of the various departments. It would be good advice to tell them they should make themselves knowledgeable on this matter.

Mr. Speaker: Order, please. Without going into all the difficulties of the question of privilege raised by the hon. member for Calgary North, it may be that the hon. member is right. But at the same time there is a well-known citation to the effect that an hon. member cannot raise as a question of privilege the refusal of a minister to answer a question. Whether or not the minister has the right to refuse to answer the question asked by the hon. member is quite clear under the rules. I have allowed the question. So far as I am concerned, from the standpoint of the Standing Orders and precedents the question is in order, but a minister can refuse to answer this or any question. I suggest to the hon. member that in view of the precedents and citations this cannot be raised as a question of privilege.

• (3:10 p.m.)

Mr. Nowlan: I rise on a point of order, Mr. Speaker. I agree in part with your ruling, temporary as it was, in that the minister can refuse to answer any question. But surely if the minister answers the question and his answer is incorrect, any member of this House can raise a question of privilege to clarify the situation. This is a point which I think should be considered by the Chair.

Mr. Speaker: But the hon. member raised a question of privilege and when he had made his point I tried to reply to the original point to the best of my ability by referring to the relevant citation. I do not think there is much point in pursuing this particular aspect of the question of privilege.

Mr. Bell: The answer is yes, anyway.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from Thursday, March 19, consideration of the motion of Hon. E. J. Benson (Minister of Finance) that this House approves in general the budgetary policy of the government.

Mr. David Lewis (York South): Mr. Speaker, I enter this debate in order to deal with the problems that have arisen as a result of the mismanagement by the Postmaster General (Mr. Kierans), and later by the government, of the postal situation in Montreal. I do that because Your Honour yesterday held you could not allow a motion under Standing Order 26 and suggested that one of the reasons was the opportunity that the budget debate would give us to deal with this matter.

I hope Your Honour will not think me presumptuous if I take advantage of this opportunity to suggest very respectfully that an omnibus budget debate is really not a substitute for a debate on a special matter of specific importance. I took the occasion this morning to notify the President of the Treasury Board (Mr. Drury) and the Minister of Communications that I intended to seek the floor this afternoon, and I indicated the purpose for which I would seek it.

I notice that the President of the Treasury Board at least is in the chamber. If he intends to sit through my remarks, I wish to express to him my appreciation. But I do hold, as I said, with the greatest respect, that whatever the situation in the past may have been, under the new rules an omnibus debate such as the Throne Speech debate or the Budget debate does not really meet the situation usually sought by a member for a special debate to deal with a special emergency for which he considers it important to have a debate in the House.

There may have been other reasons for Your Honour not allowing the motion, but I thought that with your permission, Mr. Speaker, I would make the comment that it is a small consolation to be able to make a speech in an ominbus debate instead of having the attention of all hon. members directed to one point which a motion under Standing Order 26 would do.

[Mr. Speaker.]

Apparently the President of the Treasury Board does not intend to sit through my remarks, and this will emphasize the value of this kind of intervention at this time.

Mr. Knowles (Winnipeg North Centre): He has come back.

Mr. Lewis: At the outset I want to make clear that my colleagues and I regret very much the violence which has taken place in Montreal as a result of the difficulties that have arisen. Not only do we not condone that violence, but I take the liberty to express the hope on behalf of my colleagues and myself—and I am sure on behalf of every member of this House—that the violence will end, that whoever may be responsible for it will avoid escalating it so that some solution may be found in an atmosphere other than one of violence.

There has been talk, particularly by the Minister of Communications, about not yielding to blackmail. I say to him that as one who has had some experience in labour relations I am thoroughly fed up with an employer talking about blackmail when his employees are making certain demands. I say to the minister and to the government that if the word "blackmail" is applicable in this situation at all, it is applicable to the occupants of the treasury benches who are saying to the employees involved, "Either you sign up by midnight, Wednesday, April 15, or you are without a job". If that is not blackmail, I would like to know what is. But in any case, using the word "blackmail" does not help us very much one way or the other.

It may well be that the wrong road along which the government has travelled on this issue has brought it into a corner so that it now has no alternative but to stick by its present position. It may well be that the situation in Montreal is now so complicated and so perverse that it is impossible for the government to reverse its position and take another line. I hope not. I hope the government can still see its way clear to do what in my submission should have been done in the first place.

But if it is in that corner and if, as a result, there should be greater disruption and continuing violence in Montreal which, as I have said, I hope with all my heart will not be the case, I say that the responsibility will be entirely that of the government and of every member of this government, particularly those members whose labour history many of us respect very deeply, as I do. I refer in

particular to the Minister of Regional Economic Expansion (Mr. Marchand). That a government which has him as a member, as well as the Minister of Labour (Mr. Mackasey) and the Secretary of State (Mr. Pelletier), who was once on the staff of the CNTU in Quebec, should have so utterly, completely and callously mismanaged the situation in Montreal I suggest to you, Sir, speaks volumes for the fact that when this government comes to deal with ordinary people, with working people, with labouring people, it does not deserve to govern. There is no other conclusion possible.

I think that what has happened in this case has been a complete negation of some very basic principles to which this government should have been committed. I will try to suggest to Your Honour and to the government that what has happened in this case is a complete negation of the spirit of the Freedman report which the Minister of Labour has said he intends to legislate upon as soon as he produces his intended amendments to the relevant statute.

What did the Freedman report say in effect, without referring to the actual words? What Mr. Justice Freedman said was, in moral and social terms—and the President of the Treasury Board had better not smile because I suggest to him that this is accurate—

Mr. Drury: Mr. Speaker, I would like to make it clear that my smile was not in relation to the seriousness or otherwise of the matter but to the preface—

• (3:20 p.m.)

Mr. Speaker: Order, please.

Mr. Lewis: I assume—

Mr. Speaker: Order, please. I assume the minister is seeking the floor on a point of order or a question of privilege. The hon. member for York South has the floor.

Mr. Lewis: I assume that is what he was rising to say, Mr. Speaker. What Mr. Justice Freedman said, and what every modern thinker on labour relations and industrial democracy in every western country has said, is that in the modern society it should not be free to an employer, or indeed to a group of employers, to make changes in their operations, to introduce efficiencies in their operations at the expense of the employees without consulting the union concerned before the decision to change the operations is made, and without working out some program which will at least reduce the hardship imposed on the employees as a result of that change. I will indicate, I think factually, that the government—perhaps not all of the government was involved in the early stages—or at least the Postmaster General and Minister of Communications violated that principle.

Aside from what Mr. Justice Freedman has said, it seems to me clear that the government of Canada, and the government of any democratic country, ought to be a model employer. It ought to act in such a way that every citizen in the country can see the concern which government has and which society collectively has and should have for the rights and the welfare of ordinary working people, and the rights of the union that represents them.

Thirdly, Mr. Speaker, it seems to me that the action of the minister and of the government in this case has been another denial of all the protestations about participatory democracy, in any meaningful sense of that term. What happened in this case? The Post Office authorities, perhaps for good reason—I do not know—decided that the arrangement which they had had in the past and which was to end on March 31 of this year was inefficient and that they wanted to change it. So they called for tenders from contractors to do the job of picking up and delivering the mail.

What was the first duty of the government, Mr. Speaker, if it was a government with any principle whatsoever relating to decent labour relations, if it was a government acting in a way in which everyone in this House and everyone in Canada has the right to expect it to act? What should have been the first thing the Postmaster General should have done in his invitation for tenders? I suggest that the invitation ought to have contained, as a condition of the tender, a guarantee of the job security of the employees, a guarantee of their wage schedule and a guarantee of the continuation of their bargaining rights. I have looked at the documents that were filed, and I can say that the failure to have any one of those conditions in the invitation to tender was a callous disruption of the lives and the security of some 450 workers and their families. In a moment I will indicate why, in my opinion, that was not done, Mr. Speaker.

So the Postmaster General got five contractors every one of whom, according to my information—four out of the five, at least, according to the documents tabled by the President of the Treasury Board—

Mr. Drury: There were only four.

Mr. Lewis: Well, four contractors; and all were shadow corporations that were not in existence. They did not exist as corporations; they were merely individuals who signed letters of intent with the government, I suppose undertaking to go through the necessary legal steps to incorporate themselves for the purpose for which they were tendering. These shadow corporations, from which the government did not have any bond and from which the government could not obtain any guarantee, were allowed to sign agreements with the government, and the government signed contracts with them, to do this job without any guarantee for the security of the workers, for their seniority, for their wage rights or for their bargaining rights.

Is anyone in this House or in the country surprised that when that was done the workers resented it, and that they would take whatever steps, in their desperation, they thought were open to them at that time.

Mr. Drury: Condoning violence?

Mr. Lewis: Not including violence, Mr. Speaker. I have said already that I regret the violence. But I say to the President of the Treasury Board that it is easier for him and for me to advise that people contain themselves and control themselves than it is for people who are hurt to do so. It is the fault of those who provoke the situation that creates the violence, just as much as it is the fault of those who engage in the violence. I am not condoning the violence, but I say that the Postmaster General, his department and his associates in the government who acted so meanly as well as so stupidly provoked a situation which they should have known would lead to violence, and it is their responsibility just as much as it is the responsibility of those in Montreal who have engaged in violence.

It is possible for the people in Montreal to stop their violence, as I appeal to them to do, but it is apparently not possible for the people in Montreal to get the government to reverse its stupid and mean actions of the past. Now the workers are in the position that either they accept the conditions the government is forcing on them or they remain unemployed, with their families in the condition in which the families of unemployed people usually find themselves. It is the government's fault, Mr. Speaker, and not the fault of the people concerned.

[Mr. Lewis.]

Having heard about this, having had the pleasure and the honour of being visited by a committee of the union in early March—I did not bother looking up the date—when they told me about the situation in Montreal—

Mr. Kierans: It was early February.

Mr. Lewis: Yes, it may have been in February.

Mr. Kierans: Do little more research.

Mr. Lewis: I did not hear the minister, Mr. Speaker.

Mr. Kierans: I said, do a little more research.

Mr. Lewis: The Minister of Communications ought to have the humility not to make that kind of remark, in view of the mess for which he is responsible. If there is a minister of this or any other government who has been responsible for as many messes in labour relations in a department as he has been in the Post Office, I think that government ought to look at itself very seriously.

When I had the pleasure of being visited by a committee of the union—the minister has reminded me of when it was, and in a moment I will tell the House why he knows the date—some time in February and I listened to their story of this situation, I immediately remembered and drew to their attention a section of the Industrial Relations and Disputes Investigation Act, under which the union of course had been certified by the Canada Labour Relations Board.

I immediately drew their attention to section 9 (3) of that act which permits a bargaining unit for more than one employer if all the employers concerned consent thereto. I said to the union that it seemed to me that was their answer, that they should persuade the government to make a condition of the contracts with these contractors that they should all consent to one bargaining unit for all their employees collectively, under section 9 (3) of the act, and if necessary they should go to the Canada Labour Relations Board for confirmation of that. Then their bargaining rights, their bargaining unit and the bargaining agent would continue as previously and there would be no disruption of their situation.

The members of the union committee who were in my office at the time said, "Mr. Lewis, the government won't do that." I asked them, "Why do you say no?" They replied "Because the present contractors cannot meet

the requirements of our present collective agreement, and therefore the government will not be able to twist the arms of the contractors to agree to one bargaining unit as provided in the law."

• (3:30 p.m.)

Realizing the seriousness of the situation in Montreal, I took it upon myself to visit the Minister of Communications the day following or within a day or two of having met this committee. He was good enough to express to me some of the problems he had in the situation. Obviously, they were very real and very serious problems: I do not deny that. I drew his attentiotn to the same section of the Industrial Relations and Disputes Investigation Act and urged him to take steps to get the contractors to agree to have the one bargaining unit continue as the bargaining agent. In this way, he could have both objectives. Instead of having one contractor doing the job from one headquarters in Montreal, he could have had his four contractors, with the resulting economies which he hoped to achieve by dividing Montreal into four regions. At the same time the workers would have had their seniority, job security, wages and so on guaranteed.

He had not known about that section in the act. I do not blame him for that because it was not his field, as it had been mine for some years. He told me that he would immediately see the Minister of Labour and the Deputy Minister and discuss it with them. Some days later when I asked in this Chamber what had happened, the minister replied that he could not do that because one of the employers was connected with the Teamsters Union. I do not have the answer before me, but that is my clear memory of it.

I have investigated that statement, Mr. Speaker. I regret that it was given by a responsible and respected person—because I do respect him. His reply to my question was the kind of half-truth which demolishes the integrity of the person giving it. I did not speak to the employer concerned, but I am informed that it is true that one employer had some connection with the Teamsters Union. However, the separate unit that was to be created for carrying out the operations under the Post Office contract had nothing to do with the union.

Mr. Speaker: Order, please. The minister has risen on a point of order.

Mr. Kierans: Mr. Speaker, I rise on a point of order. I simply want to say to the hon. member that the person who got the contract was already unionized by the Teamsters, and that the person who had lost the contract was not unionized by the Teamsters. In other words, what he is suggesting is that in order to make that particular section of the Industrial Relations and Disputes Investigation Act work, we should have cancelled the contract with the contractor who had it because he had the Teamsters Union in there and was, therefore, from his point of view, no longer eligible.

Mr. Lewis: Not at all, Mr. Speaker. What I am saying to the minister is that there was a corporation which had a contract with the Teamsters, that a separate corporation was going to be set up for the purposes of a contract with the Post Office, and that separate corporation did not have any contract with the Teamsters and could not take over the contractual right of the Teamsters with the other corporation. The two corporations are legally and entirely separate units; the one had nothing to do with the other.

Mr. Speaker: Order. The minister rises on a point of order.

Mr. Kierans: Mr. Speaker, I simply want to say that legally the contractor, H. Lapalme, who got that contract, had a contract with the Teamsters. He could have formed any other kind of corporation he wanted. But he is the only one who had a contract, and the connection with the Teamsters which the hon. member is suggesting—

Mr. Speaker: Order, please. I suggest to the minister this is not a point of order. At the same time, I wonder whether the hon. member for York South (Mr. Lewis) who has the floor is not pleased that he is getting this debate out of his participation in the budget debate.

Mr. Lewis: I am, Mr. Speaker. I do not mind at all, because I think the minister's interventions show clearly that he did not care about the situation. He did not try to understand it. He did not get any legal advice, and he does not know what he is talking about.

Some hon. Members: Hear, hear!

Mr. Lewis: H. Lapalme had a contract with the Teamsters as H. Lapalme. That does not give him the slightest connection with the Teamsters as an entirely different corporation which was going to be incorporated for the purpose of carrying out the contract with the Post Office. The Teamsters were not in the

picture at all. Had the minister the slightest concern for the situation he could have found that out from a junior lawyer in any firm doing labour relations work.

The fact is, Mr. Speaker, that there was no obstacle whatever to the minister doing what I suggested. I take no credit for the suggestion; anyone who knew a little about the Industrial Relations and Disputes Investigation Act would have given the same advice. Here we had four contractors and one previous bargaining unit. The law provides that you can have one bargaining unit for employees of all contractors if they consent to it. He was one party to the contract with these people and he could have said to them, "As a condition of the contract you have to agree to the employees being in one bargaining unit." That would have made good sense, aside from the difficulties in Montreal.

No employer who wants industrial peace, no employer who is not interested in disrupting labour relations would be happy with a situation where you had four contractors, all doing the same work, the employees of each contractor doing the same work, four separate bargaining units and four separate contracts. No employer in his right mind wants that. Perhaps that is the answer—that the right mind was not there.

When it was suggested to the minister that he get these contractors to agree to one bargaining unit, the suggestion was not merely a concession to the workers. It was a good suggestion in itself from the point of view of labour relations. It was much better to have one contract and one bargaining unit for employees of all contractors doing the same work than four competing contracts with four competing unions trying to outnegotiate each other. There was an easy, simple, human solution, but the Postmaster General would have none of it. Why? Because he did not want the CNTU to remain.

Some hon. Members: Hear, hear.

Mr. Lewis: One of the reasons why I say this, Mr. Speaker—I do it with some hesitation, but I think the situation is so serious that it ought to be made public—is that I am informed on the best authority that there is in the hands of Mr. Goldenberg, the commissioner, a memorandum made at his request in which the Minister of Communications and/or one or other of his officers is quoted as saying that one of the purposes of the entire exercise was to get rid of this CNTU local in the situation in Montreal.

[Mr. Lewis.]

The existence of that memorandum about which I was assured and from which the person who spoke to me had made notes at one point—how he obtained it, I do not know—made me ask the other day that all the documents in Mr. Goldenberg's possession be tabled. When the minister yesterday tabled the documents other than those that were confidential, I shouted across the floor, perhaps improperly, Mr. Speaker, that of course the interesting documents would not be there. Of course they were not, because I suppose that was a confidential document.

That is the first point I make, Mr. Speaker; that the employees and the union concerned were convinced that one of the purposes of the exercise of four contracts of a certain type in a certain context was to get rid of the union. The suspicion was confirmed by what was seen in a memorandum in the confidential possession of Mr. Carl Goldenberg. In Mr. Goldenberg's report there is a clear statement of the reason why the Postmaster General did not want to do what was obviously the right thing, namely, get one bargaining unit and the same bargaining agent. At line 7, page 7, of Mr. Goldenberg's report he deals with the various contracts with the employers as follows:

• (3:40 p.m.)

I am not in a position to pass a proper judgement on their bids but, on the basis of contemplated wage rates and the attitude to labour relations disclosed to me, I am of the opinion that they—

Namely, the contractors.

—will be unable to fulfil their commitments within the fixed price and, at the same time, maintain industrial peace.

In plain English, as I read Mr. Goldenberg's words, he is saying that the Postmaster General signed the kind of contract with the contractors which made it impossible for them to pay wage rates to the truck drivers which the truck drivers were then receiving, that the contractors had indicated they were not interested in decent labour relations and that therefore the whole thing could not work. That is why nothing was done about using the instrument of the federal labour law in settling the problem in such a way that the employers and the union concerned would have no difficulty.

Mr. Speaker: Order, please. I regret to interrupt the hon. member at this time, but his time has expired unless there is unanimous approval of the House that he continue. Is this agreed?

Some hon. Members: Agreed.

Mr. Lewis: Sir, I did not realize the time had slipped by so quickly. That was the way, in my submission, to have solved the problem and guaranteed the people the rights they were entitled to. As Mr. Goldenberg points out in that report, we are not dealing with novices, with men who had just started work in this field. We are dealing with men with very considerable service. Mr. Goldenberg sets this out right at the opening of his report, at the bottom of page 2. Of these employees 20 of the 450 had a seniority of 20 years or more, and 88 had a seniority of between 10 and 20 years. So a total of 108 had a seniority of more than 10 years. Of the other employees, 85 had a seniority of between 5 and 10 years. Therefore, a total of almost 200 had a seniority of more than 5 years, and 159 had a seniority of between 2 and 5 years. Of the 450 employees, 360 or so had a seniority of more than two years and about half of that total had seniority of more than ten years. That is a considerable length of service.

In our modern society a man does not work for wages alone. He does not merely acquire wages. In a good union and labour relations situation he also acquires an equity in his job resulting from seniority and other benefits he is able to win collectively through his trade union. By ignoring this, the government caused desperation among these men for no reason whatsoever. That is what made the men so angry about the situation. There was no reason for its happening.

The Postmaster General had it within his power early in February to act wisely. Indeed if he had taken advice, as he should have months before that he would have been able to settle the problem in such a way that the CNTU local would remain and the CNTU bargaining agent would remain, the people concerned would have been reassured about their wages and job security. All this could have been done months ago by the simple application of section 9(3) of the Industrial Relations and Disputes Investigation Act.

Even though he did not do this before February, and even though his attention was drawn to this matter—it so happens I was the one who drew it to his attention—six or seven weeks before the deadline would have been time enough for him to carry out the policy that would have avoided the desperation, the violence and the disruption that has taken place and threatens to continue in Montreal. We are in this mess because of the complete insensitivity of the Postmaster General to the rights of workers.

I am reminded—if I may interrupt myself for a moment—that even a good person cannot escape his background. No one denies that the Postmaster General is a well-meaning person. But his having been president of the Canadian Stock Exchange and the Montreal Stock Exchange was simply not the kind of training that makes possible a good appreciation of labour relations involving ordinary working people in a situation as critical as the one in Montreal. He ought to have stood aside and allowed someone who displayed some sensitivity to labour relations to take over.

The government, having brought the country and the people of Montreal to this mess, then appointed Mr. Goldenberg as a commissioner. He recommended that the government take over the operation in Montreal. It so happens that I have had the pleasure of knowing Mr. Goldenberg since my undergraduate days at McGill ever so many years ago; I hate to say how many. I think Mr. Goldenberg was wrong. I think the advice he gave the government was wrong. It would have made sense if his advice had been that all people who do similar work across Canada everywhere, in every centre of the country, be public servants and in the public service. If that had been the advice and if the government had applied it throughout the country, that would have been one way of acting. But when you enforce on the drivers in Montreal a decision based upon a report designed to clean up a mess for which the government was responsible, that is another thing. The advice was not well based and the government was not wise in accepting it.

I shall not take much more time. I am grateful to hon. members for allowing me this additional time. I wanted to put these things on record for three reasons. First, this is an example of the attitude of this government towards labour relations, and it frightens the hell out of me. It frightens me beyond words that a relatively uncomplicated situation which ought to have been relatively easy to control should have been permitted to develop the way it has developed, with all the consequences it will have on the lives of about 459 Canadians and their families in Montreal. That frightens me and indicates an attitude toward labour relations by the government that does not bode well for the future of that aspect of Canada's activities.

Second, one can be disturbed also by the way in which this government has dealt with labour relations in the total Public Service. Postal unions are now undergoing a process of conciliation after six months of negotiation. This is the kind of thing that creates bitterness. Third, one hopes that there is still time for the government to change its attitude and to revert to original policy and try to find a responsible contractor or two, three or four contractors in Montreal. I am sure there are such contractors who would take on this job on tenders which would enable them to pay decent wages to the truck drivers, wages similar to those the truck drivers have received until now. In that context the truck drivers ought to be allowed to continue their union membership and their union and collective bargaining rights. There is still time for the government to do this.

I appeal to the two ministers here to take another look at the situation and see whether they cannot do some of the simple things I have suggested, for I fear if the government does not, if the government remains adamant, two things will—not may—happen. One will be a continuing disruption of the postal service in Canada's largest city, accompanied possibly with continued strife and violence. Although I hope there will not be violence, I know enough about the situation to realize that there well may be violence. The second thing that will happen is that several hundred Canadians will be without a job and on the unemployment rolls which this government's policy has increased in size, particularly in Quebec and in Montreal.

• (3:50 p.m.)

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the hon. member has just delivered an impassioned speech based perhaps a little more on what he calls sensitivity and what I call emotion, rather than fact.

Mr. Orlikow: You don't have any emotion.

Mr. Drury: Perhaps I should regard that as a compliment that the approach is one of reason rather than heartfelt ignorance.

Mr. Lewis: The absence of emotion does not necessarily mean reason.

Mr. Drury: The hon. gentleman has said that he does not condone violence. He has just finished a speech in which he condemned the adoption by the government of the report of a distinguished labour expert, Dr. Goldenberg. He has proposed what he states is a simple solution which the government could easily offer and thereby avoid what he predicts, and by his prediction I suggest it is at least a partial invitation to that course of action—

Mr. Lewis: Come on, now!

Mr. Drury: I regret—

Mr. Lewis: On a point of order, Mr. Speaker, I resent the suggestion that any of my words were an invitation—

Mr. Drury: That is no point of order.

Mr. Lewis: I say to the minister—

Mr. Deputy Speaker: Order, please. The Chair can deal with only one point of order at a time. I am prepared to hear the President of the Treasury Board (Mr. Drury)—

Mr. Douglas (Nanaimo-Cowichan-The Islands): The hon. member for York South (Mr. Lewis) was first.

Mr. Deputy Speaker: —after I have heard the point of order of the hon. member for York South (Mr. Lewis).

Mr. Lewis: I resent the suggestion of the minister. It is entirely unwarranted. I remind him, the man without emotion who thinks that means he has reason, but I suggest in this case he is perhaps without either, of the letter he sent to the president of the local union in which he made similar predictions and therefore a similar invitation.

Mr. Drury: Mr. Speaker, that is not a point of order but merely an intervention. I regret that when I was engaged in a similar operation earlier I yielded and did not pursue the point. I will now. Whether the hon. member resents it or not, I will persist in stating that such a prophecy, preceded by such a pseudo analysis of the present situation, is in itself an invitation to violence. I condemn this.

Mr. Douglas (Nanaimo-Cowichan-The Islands): You must be in desperate straits.

Mr. Drury: I have been engaged—

Mr. Douglas (Nanaimo-Cowichan-The Islands): You are in the mess. Tell us what you are going to do about it.

Mr. Drury: With respect to the hon. gentleman Mr. Speaker, I think if anybody is in a mess it is the New Democratic Party.

Some hon. Members: Hear, hear!

Mr. Drury: It is now in the very unfortunate position of trying to espouse what is in effect an endeavour at the present moment to reject an eminently reasonable offer by the government to provide security of employment to these individuals. The response to this is encouragement to those people who resort to violence. I condemn this and will continue to condemn it in spite of the heckling by the leader, deputy leader and other members of the NDP.

Mr. Lewis: You can lie and condemn at the same time. That is what you are doing.

Mr. Drury: Mr. Speaker, I challenge the hon. member for York South to substantiate the statement that I am lying.

Mr. Lewis: I did not invite violence.

Mr. Drury: Either substantiate it or withdraw it.

Mr. Deputy Speaker: Order, please. I remind hon. members that is not the sort of statement that can be made in this House. If the hon. member for York South did so, I invite him to withdraw it.

Mr. Lewis: Since Your Honour was good enough to ask me to rise, I say to Your Honour and the minister that I think it is an irresponsible misrepresentation of the words of a member of this House. On several occasions I went out of my way to express my regret at the violence that has occurred and to appeal to the workers concerned, if they are responsible for the violence, to stop it. I merely said that they are so desperate that violence may occur. I used the words "might happen" not "will happen". For the minister to try to make cheap political capital by misrepresenting my words is utterly reprehensible. If I am not permitted to say the minister was telling a lie, I will withdraw that statement and say that he is guilty of total and reprehensible misrepresentation of what I said.

Mr. Drury: Mr. Speaker, during the course of his remarks the hon. member mentioned that everyone is the prisoner of his background. I suggest that perhaps the remarks of the hon. gentleman should be looked at in the light of his particular background. I think there is a lot of truth in the statement that if a man is not a prisoner, he is at least conditioned by his background.

Mr. Orlikow: We see it in you. A silver spoon!

Mr. Drury: We should examine the remarks of the hon. member in light of his background. During the course of his remarks the hon. gentleman made mention of the fact—I want to put this on the record—that the President of the Treasury Board was not prepared to sit in the House and listen to these remarks when, in fact, I had to expose myself to them.

Mr. Lewis: I apologize for that.

Mr. Drury: Secondly, the hon. member said I was smiling in the face of a serious matter. I was smiling because of the introductory remarks with respect to the hon. member's view of the Freeedman report. I copied down what the hon. member said. He said, when looking at the Freedman report, "Let us not be governed by the words he used." This is the kind of approach one often hears—"Don't be entrapped by what the man said; I will tell you what he thought". He then proceeded to give his version of what Mr. Justice Freedman either thought or meant to say. I suggest we should look at what Mr. Justice Freedman said on this occasion. It is a doctrine with which I am in full agreement. An employer does not have the right, or should not endeavour to exercise the right to alter substantially the terms and conditions of the lives of his employees without discussing with them means of alleviating the consequences of changes which would be brought about to the employees advantage.

Mr. Lewis: Oh, oh!

Mr. Drury: If I can proceed without further interruption, I point out to the hon. gentleman that in this case this is not what he said. I have told the hon. member, not what Mr. Justice Freedman thought or meant to say but what he did say. Applying the doctrine of Mr. Justice Freedman in this case, the government should have negotiated with a group of their employees and their union representative before taking action in relation to this operation. I point out to the hon. member that the employees in question had a contract or collective agreement with an independent employer. They were not employees of the government. The government did not have a collective agreement with this particular group of employees.

Mr. Orlikow: Who did the contractor work for?

Mr. Drury: Don't you know?

Mr. Orlikow: Obviously you don't know.

Mr. Drury: It is difficult, Mr. Speaker, in the face of such lack of knowledge of the facts to conduct an intelligent debate.

Mr. Orlikow: Can I ask the minister a question?

Mr. Drury: No.

Mr. Orlikow: You are afraid, that's why?

Mr. Drury: I suggest the hon. member should inform himself, I do not have time in my speech to try and correct this state of ignorance on his part. He can read the papers. If the hon. member for York West—

Mr. Lewis: York South. Please get my riding straight.

Mr. Drury: Excuse me. I apologize. If the hon. member would read the papers tabled in the House he would see that the collective agreement with the Lapalme workers was one which could not have been entered into by the government.

• (4:00 p.m.)

Mr. Lewis: I did not say it could.

Mr. Drury: I did not say you did. I said if the hon. member had read it, he would see—

Mr. Lewis: I did read it.

Mr. Drury: In that case, you would see—

Mr. Deputy Speaker: Order. I invite the minister to address his remarks to the Chair, when perhaps there would be less of this Committee of the Whole approach.

Mr. Lewis: It makes it more interesting.

Mr. Drury: I accept the admonition, and apologise for my lapse. While it may be said that to proceed otherwise would make a better exercise in participatory democracy, I respect the rules and would like to be governed by them. I regret that in leading up to his concluding remarks, which indicated that the government was entirely to blame for the present situation and inferred that those who felt aggrieved could be excused for taking whatever action commended itself to them, the hon. member should have failed to look at the offer which was made.

Mr. Broadbent: On a question of privilege, Mr. Speaker, the minister has once again misconstrued the argument in a basic respect. He said the hon. member for York South—

An hon. Member: You don't like listening, do you?

Mr. Broadbent: —was suggesting the Lapalme workers were justified in taking whatever action they wished. My hon. friend from York South said no such thing.

Mr. Drury: I am not sure whether that is a question of privilege or not, but I will continue. The hon. member for York South did not take the trouble to analyse the offer made by the government or the reasons given for the rejection of that offer. He will find, if he takes the trouble to read the latest information about it, that it does incorporate virtually all the provisions which were sought, and which the government has in its power to grant under the existing law. The workers, in the hon. member's view, were entitled to job security. This has been offered.

Mr. Orlikow: At the end of the negotiations, not at the beginning.

Mr. Drury: If the hon. member who is talking from his seat had followed this discussion closely, he would appreciate the dichotomy which exists in his party. I have been accused of inflexibility, of stubbornness, of being unwilling to make concessions, yet the hon. member is making exactly the opposite charge. It is difficult, I know, to have your cake and eat it but the N.D.P. is in full swing, as usual, trying to do it.

Mr. Lewis: It is not cake, though.

Mr. Drury: The workers have been offered job security, they have been offered a very satisfactory living wage, they have been offered the right to apply, like other citizens of Canada, for the bargaining union of their choice.

Mr. Lewis: What do you mean, "offered"? They have that right already. They do not need your offer.

Mr. Chrétien: One has to tell them they have it.

Mr. Drury: The government is charged with not being generous in its offer, or with claiming generosity in respect of the offer. My submission is that the offer made by the government is a fair one. It rectifies all the alleged omissions listed by the hon. member. But he did not take the trouble to look at it and explain in what way it is unsatisfactory.

According to him, the government is at fault for not offering something better, and the failure of the union to accept it will result in continuing disruption of the postal service in Montreal and a situation which, though he would deplore it, might result in violence in that city. I would deplore it, too.

Mr. Lewis: And in unemployment.

Mr. Drury: It would have been very much more constructive had the hon. member addressed himself to the situation as it is today, to the kind of offer which has been made, the kind of offer which has been rejected—

Mr. Lewis: You would like that, wouldn't you?

Mr. Drury: —instead of threshing old straw.

Mr. Lewis: Mr. Speaker, may I ask the minister a question, since his time has not expired? First, would he tell the House, in connection with this offer of which he speaks, whether the length of service with which these men are to be credited is given them as a permanent thing, or whether this seniority position will be in effect for only three months; second, whether the wage rate offered is a definite wage rate or whether it is subject to the result of negotiations by the Council of Postal Unions; third, whether he thinks that the desperate attitude of the drivers in Montreal does not stem from previous failures rather than merely from their present position with regard to his offer.

Mr. Drury: I am a little surprised I shoud be asked a question about seniority and wage matters. That question has already been asked, and I have given full information. Nevertheless, I will repeat that the wage offer, is that their current wage rate should continue until such time as a new contract is signed between the Council of Postal Unions and the government. At that point, employees who have previously been employed with the Lapalme firm will receive wages as fixed under the new agreement.

Second, with regard to seniority, this is a term which covers a great many facets of postal operations. The aspect to which the hon. member refers is the position of preference in relation to assignments, in relation to shifts and the taking of vacations. Seniority has been offered to the Lapalme workers for a period of three months in preference to anybody else. After that, they will not enjoy this exclusive preference in relation to the particular area of work in which they have been operating.

The hon. member asked me, finally, whether I feel the Lapalme workers are justified in feeling resentment. I am not sure whether the connotation is that they were justified in taking the action they have taken.

Mr. Lewis: No.

Mr. Drury: There does exist, quite understandably, some apprehension among these workers as to their future status and this apprehension, this worry, produces disturbance. I do not deny this at all. I am fully sympathetic to this worry on their part. Not unnaturally, they wish to do as well for themselves as they can. I recognize this. But I do not recognize for a moment that this apprehension, this desire to better their situation justifies in any way or at any time acts of violence against other people. I repeat, I object to those who hypocritically or otherwise represent actions of this kind as being in any way justifiable or seek to condone them.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, this has not in the last few minutes been a particularly agreeable or stimulating debate. I found it somewhat reprehensible on the part of the minister to suggest that the hon. member for York South (Mr. Lewis) in forecasting what might happen, was inferring that it ought to happen. I have been convinced for weeks that the government's case was far from strong. The exchanges we have heard this afternoon, on the lines of "you did—I didn't" convince me that its case is indeed abysmally weak.

I am sure no man of the stature of the hon. member for York South would in any way rejoice at violence. Nor would I. But the fact is, things have happened in Montreal in recent weeks and this, together with recent fiascos in the management field, would lead anyone interested in the social scene to fear a recurrence. I am one of those who believe in vigorous protest but never in violent protest. Never at any time have I had conversations with the men involved here, or with the union. I am prepared, however, to accept the charge of being emotional. I am definitely susceptible to emotion on occasions where human suffering is involved. If I say I am profoundly disturbed by the thought of what it may mean to their dependants, let me point out that after many agonizing weeks of uncertainty, of brittleness and expectance of

finding themselves removed from their livelihoods they are still uncertain. If that be emotion, make the most of it.

• (4:10 p.m.)

I think, too, that this long and agonizing problem affects more than the unions and more than cabinet members in their relevant positions within cabinet; it affects the public not only in Montreal but in all of Canada. The government, through whichever minister at a given time was its spokesman, has been far less than sufficiently forthcoming in dealing with the problems of these people. Such information we have has been received through press releases or through speculative reports of digging newspapermen. This is not good enough. The people of Canada have a mighty important stake in this matter.

This particular problem is one of the most painful and serious eruptions in the postal service itself. It is an eruption in a service which for a long, long time has been something less than healthy. I am often amazed at the frequent expressions of the daily press that today mail service in Montreal is near normal. Even when it is normal it is terrible. There is a backlog there which is abominable. I have a file of letters 18 inches high testifying to the outrageous service which is being visited upon the people of Montreal and the people whose service is dependent upon transit of mail through Montreal.

I hope in our great concern for this particular and unique problem we do not forget that the deterioration of the Post Office Department has been a problem for the past few months. As a result of this deplorable mess we have found an incapacity to deal with some basic considerations. There is the question of job security which has been in existence for some time. No man need be a leading cabinet member or an expert in labour relations to realize the importance of the question of job security. Commissioner Goldenberg noted this in his report, which strikes me in itself as a clear and definite indictment of the government.

Mr. Goldenberg did not have much time to work on that report, but conceivably it did not take him too long to size up the situation in the eleventh-hour assignment given to him. It strikes me he lays the blame pretty definitely at the door of the Postmaster General (Mr. Kierans) and his colleagues. He tells us that the G. Lapalme employees were fearful of the loss of their status and rights as employees under their collective agreement, and that this created a state of fear, insecurity and demoralization. Who would not realize that this would be the kind of reaction of these men, many of whom had been involved in carrying the nation's mail for many years and doing a very good job of it? I notice, as well, that Mr. Goldenberg examined carefully the reasons Lapalme was not able to continue. He goes back to one of the points many of us have been discussing for months and months. He refers to the reduction in postal services from six days to five days. We need not go into that question now, but it will be gone into again and again.

Another interesting thing is that Lapalme advised the union and asked for its co-operation in preparing its tender. Mr. Goldenberg went on to say that considering that tenders would be based on rates of pay below those in effect under the collective agreement, the union refused to negotiate. Accordingly, Lapalme did not tender for any of the five contracts. Much of this problem has stemmed from that will-o-the-wisp search of the Postmaster General for some measure of economy in order that he could somehow, some day in some way prove that, by jove, he would make this department pay. The public will be appalled when the full bill in dollars and cents, to say nothing in terms of human measurements, comes in. This will be one of the most costly fiascos since the costly abandonment of the Prince Edward Island causeway. If the Auditor General is still around next year, I predict he will find an interesting situation here.

I do not know that there is much value in my continuing the denunciation which was so eloquently put forward by the hon. member for York South. We have reached the stage where to condemn is not to be helpful. Surely the government does not need me to dig it deeper into this mess. I would not want to do that at this stage of the game because I think through its ineptitude, at least to the extent of 90 per cent, we are facing a serious situation. I do not know what will be done tomorrow and I do not know where the government will get experienced men. I do not know what is in store for the long-suffering people of Montreal.

I note, to my horror, that in this whole mess there was more concern for the trucks than for the truck drivers, because in one of the contracts with Lapalme there was reference to the fact that the government, if it took over the service, would purchase the trucks. What about the drivers? Perhaps I am

being emotional in suggesting that the drivers are more important. We have not been told the story about this cost and I endeavoured yesterday to obtain this information from the minister. He is a little more evasive than the Postmaster General (Mr. Kierans) and a little less arrogant, but the combination of the two is not very helpful.

• (4:20 p.m.)

I wonder whether in its last offer—the kind of thing which had it been made weeks ago might have avoided a great deal of trouble—the government might have reached a situation where the whole concept of the illusory notion of economy had been by-passed and might have reached a stage where the minister might reasonably have said that this is not working, that a mistake has been made and that we should go back to an earlier situation and carry on.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A mistake! They would never admit that.

Mr. Macquarrie: This is something, it would strike me, that rational, reasonable men more concerned with saving the situation than with saving face might have done. I was impressed by the latest emanation from the office of the President of the Treasury Board (Mr. Drury). I refer to this long, precise and brittle letter to the President of the National Syndicate of Employees dated April 14. We talk about the politics of confrontation: it is all here, not any notion of gentility of emotion. At the end of the letter, in the final paragraph, I come to something that is very interesting. This will be of great concern to many people:

> May we suggest to you that you inform your members that they have until midnight on Wednesday the 15th to accept the government's offer. After that date, we shall fill our positions but the employees who are hired will obviously not be able to claim the special advantages which we have offered to you.

There will be reflection upon that in many places in the future.

> The public has the right to require an efficient postal service and the government has the duty to furnish such a service.

I would say, in the discharge of that duty, there is no room even for self-applause on the part of the President of the Treasury Board. The government has failed abysmally in this matter. I hope in the eleventh hour—

An hon. Member: Five minutes to midnight.

Mr. Macquarrie: —five minutes to midnight, as my friend says—they might be able to discard a little of their brittleness and exercise a little reasonableness, because we do not want any more trouble in the Post Office than we have had in the past many months. No one gains any satisfaction from the fact of the government being embarrassed over the Post Office. This has happened so many times that there is not much novelty to it now. The real novelty we would like to have in this country is good mail service.

Mr. Drury: Mr. Speaker, I wonder would the hon. member for Hillsborough (Mr. Macquarrie) permit a question?

Mr. Macquarrie: I will attempt it.

Mr. Drury: Mr. Speaker, I confess that throughout the whole operation I have been looking for advice and seeking views. The hon. member suggested that perhaps we had not proceeded in the best possible way, and I believe he suggested that rather than proceed as we are now we should go back and carry on. I have in mind that he means carry on something done before. Would he indicate to me what we should be carrying on.

Mr. Macquarrie: Mr. Speaker, that is a bit unfair. Without being immodest, I think I could have helped him some time ago, but surely on April 15, just hours before the deadline, he is not going to ask me to solve the problem for him. It is a little too late. I think he knows I was talking about the contract rather than government service. The government, as I understand it, has gone back to pretty much the same cost as the contract would have been. He should have asked me a week ago for real help.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, there are always a great many speeches made by people in which they say they never condone violence and they always wind up by saying "but we can understand it", whereas in the case of the hon. member who opened this discussion, he can excuse it.

Mr. Orlikow: You precipitated it.

Mr. Kierans: He can place the blame somewhere, and somehow he can rationalize violence although he does not condone it; he can only excuse it.

Mr. Lewis: Mr. Speaker, on a question of privilege or on a point of order, whichever you like, this is the last time I will rise on

this point but I hope the minister has something on which he can really defend mismanagement, instead of saying that I excuse the violence which I think is an obvious and not really honest misrepresentation of what I said.

Mr. Kierans: We will wait for *Hansard* to confirm that.

Mr. Douglas (Nanaimo-Cowichan-The Islands): We will wait for *Hansard.*

Mr. Kierans: The point I want to make is that we did not suddenly face the employees of Lapalme or the CNTU with a midnight deadline. The hon. member for York South (Mr. Lewis) said that we are now exerting this blackmail or pressure on them. This goes back to at least a year ago January. I am sure the hon. member must know this because we went through 32 days of violence and intimidation in February and March of last year. At that time, on March 3, I publicly announced that as a solution I intended to take over the delivery service in Montreal. The terms were almost as generous as those offered by my colleague during the recent negotiations. But the refusal was for exactly the same reason: the refusal was that there was no legal way in which the government could recognize a union prior to taking in its members.

At that time I said that since the members of this particular union had lost their employer, Rod Service Limited, we were now going to substitute ourselves. I said that the great majority of the drivers employed by Rod Service at that time would be offered employment, and I urged them to report for work as usual on March 14. The following day the postmaster of Montreal sent out a letter. Within 24 hours of the members acting on their own accord we had well over 200 applications. But that particular arrangement was not consummated or completed because the union began to think of itself and its position rather than that of its members. So eventually, since the union had had a collective agreement with an employer, Rod Service, that was to last until March 31, 1970, we in the Post Office decided we would recognize that agreement although it was not our responsibility that they had lost their employer. Their employer, working with them, could no longer provide the services to which the people of Montreal were entitled.

We decided to ask other people and to approach many trucking firms in Montreal to see whether they were interested in taking over the contracts and the members. We were successful in doing so. At that time over a year ago—this is not midnight tonight—we warned the members of the union that this was the last one-year contract. We advised them that whatever might be the solution, whether the government would take over the services or go to tender as it does throughout the country, there would be a different solution to the problem because, as my colleague has said, this insecurity and uncertainty has recurred annually.

• (4:30 p.m.)

It was not good for them, it was not good for the Post Office and it certainly was not good for the people of Montreal because in the three years up to that time there had been five stoppages of work and five threats which have been carried out, of which only one was legal. They were clearly warned. They were also told at the same time that instead of 396 employees, the Post Office felt that the work could be done by a reallocation of the work load, by a scrapping of the old method of dividing services provided into departments and rearranging them geographically into sectors. We believed that this would lead to increasing productivity and would lower the cost to the taxpayers of Canada. In effect, while we agreed to Lapalme taking over 396 employees, we felt that progressively the work could be done by fewer and fewer people and that the appropriate number, including management personnel and supervisory staff, might be something like 330.

They were well aware of this, but during the past year the members acquired control of the union and of the 459 members only three, the two Lapalme brothers who own the operation and their general manager, Mr. Breton, were not members of the union. They progressively increased the cost to the people of Canada. So that the staff did not go down from 396 to 330 but went up from 396 to 459.

I do not wish to recite all of the attendant malpractices both from a union point of view as well as a management point of view that have taken place during the past year, because I do not wish to criticize either union or management here. Suffice it to say that there was every justification for looking for better ways of providing service to the people of Montreal, and the Post Office was bound in its responsibility to the taxpayers of Canada to seek them. This we did.

It is not midnight to night that becomes a sudden threat, as the hon. member for York South seeks to imply. But even leaving aside the dates of January, 1969, and March 1969, it was last September when the contractor and the union were officially notified that we intended to go to tenders. Here I refer to the misrepresentation that the hon. member for York South is seeking to impose on this House that some of us on this side have never read the Freedman report or have no understanding of what the report is all about. We do. Mr. Justice Freedman could not have asked for anything more than we have done, because the people who are talking about midnight tonight were notified in September of 1969, which is beyond the six months that Mr. Justice Freedman suggested.

Mr. Lewis: Of what were they notified?

Mr. Kierans: They were notified that we were going for tenders and that there was therefore a possibility that there would be new employers. So there was a clear indication to everyone concerned. But what happened during the six months was not that they either sought to co-operate with their employer or sought to retain the contracts; in fact, their actions were the complete reverse. So much so—and I come to the famous meeting with the hon. member for York South to which I would not have referred, but he has done it first—that again they lost an employer, and just as Rod Services felt they could no longer continue to operate with the costs, with the lack of productivity, with the lack of loyalty to the service, to the employer and to the people of Montreal, they decided not to submit a tender under the existing contractor's name but to submit a tender under another operation that they control, namely H. Lapalme.

One of the clear advantages of this to the Lapalme brothers was that they felt that in dealing with the Teamsters they would be dealing with a more responsible union that would take account of its contractual obligations. In other words, I am as pro-union as any man in this chamber but I am not one of those who is willing to say that at all times, under all conditions and in all places a union is eternally right. A union, just like a business, large or small, can price itself out of a particular market. This appears to be what the present union is doing.

On February 4 the members of the union went to see the hon. member—it was not in early March—and on February 9 he came to see me. We went over the suggestion that he proposed. I was looking for solutions and I told him that I would consider it. But I also presented to him a number of hard facts; that the cost of delivering mail in Montreal had gone up about 73 per cent in four years, whereas the cost of delivering mail in Toronto, with a more rapidly increasing volume and operating from the same base within a difference of three or four cents, had gone up 33 per cent, and that in all conscience as custodian of the public interest I had had to ask for tenders.

I am not saying whether or not he agreed with any of this. I am simply saying that he proposed that I look into the possibility of asking the new contractors to recognize the CNTU in some global fashion or in some partial shape-up fashion, and to agree to hire all the employees that they needed from the prevailing seniority list. But I am sure the hon. member is aware of one fundamental condition in that possibility, that is that the contractors themselves have to agree or consent.

What made his solution impossible is that the contractors would not consent because at this time there was all the evidence of violence which led them, whatever might have been their original intentions, to pull back progressively from hiring those who were responsible for the violence, those who reduced the number of mailboxes in Montreal from 1,800 to 400 and who today fired two bullets into a car in downtown Montreal, a security car protecting the royal mail. They were unwilling, and so the solution that he proposed at that time fell of its own weight. It also fell for another reason, which accounts for the silence of the hon. member since that time, aside from a few inconsequential questions and his last-minute, midnight interest in this problem.

• (4:40 p.m.)

I informed him that one of the contractors to whom we had given the contract was H. Lapalme Transport Ltee., that this man had a union, and that that union was the Teamsters. It is all very well for the hon. member to hint, suggest and imply that legally it would have been possible for him to set up another phantom company, but the contract was not given to another phantom company; it was given to H. Lapalme Transport Ltee., and precisely for the reasons that, according to him at the time, he had the Teamsters and nobody else. And the hon. member, whose interest in the Teamsters and the CLC are at

least as great, I would have thought, as his interest in seeing that justice is done to the CNTU, became very quiet.

Mr. Lewis: Oh, come on!

Mr. Kierans: I am simply telling the hon. member that. I am not the one who raised that conversation. He raised it, not me. He suggests that I committed a heinous offence in not including in my tenders the following three clauses: that whoever gets a tender must subscribe to and guarantee the job security of those who work for the firm that had lost the tender; that those who get a tender must guarantee the salaries, after they employ them, of those who worked for the firm that lost the tender; and that those who get a tender must agree to take in and certify the union of those who had lost the tender, regardless of what unions they may have had, what employees they may have had or what this might have done to their prevailing wage rates. I say to you, Mr. Speaker, why in hell should you ask for tenders if you are going to put in this type of condition; and who is going to submit quotations in response to tenders that contain such conditions?

I am as sensitive as the hon. member to the fact that labour legislation may swing this way some day, and perhaps it should swing this way some day; but I say to him that when it does, and if it does, it should be after a full-scale debate in this House in which all of us decide that that is what we want, and not in reply to bullets through windshields or violence in the streets of Montreal.

Some hon. Members: Hear, hear!

Mr. Kierans: Mr. Speaker, there is not very much more I want to say about this matter, except that the government has been patient, it has been tolerant and it has been generous. It has used up several ministers in the process.

Some hon. Members: Oh, oh!

Mr. Kierans: No, I may say it. When those of us who have been involved in this began to lose a little patience, the Prime Minister (Mr. Trudeau)—and I applaud him for it—wisely decided that he would bring in my colleague, the President of the Treasury Board (Mr. Drury), whose patience is limitless and had not been used up. I must say that I, as Postmaster General, appreciate all that he has done in the past several weeks to achieve a solution. I applaud him and thank him for what he has done, not only for me personally but also for the 48,000 people who work in the Post Office, for the rest of this government and particularly for the people of Canada.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I intend to take a few minutes to entertain the House on a subject not connected with the Post Office, but which is extremely important for a great number of my fellow citizens, and also for a great number of Canadians from other constituencies.

I should like to illustrate that we must urgently take steps to protect a homegrown industry, namely the textile products industry.

In the past years, this law-abiding industry has behaved as a good citizen. We should therefore give it the consideration it deserves. It played an important part during the war, and thereby not only won the praise of the public, but is also entitled to its gratitude.

The textile industry is going through very difficult times. It is not looking for charity nor is it asking for subsidies, but it does want to know if the present government wants a Canadian textile industry or not. It wants to continue sharing in the development of Canada and providing employment for Canadians. Workers in the textile industry are not seeking favours, they merely want the opportunity to continue working at a trade they have been practicing for a long time in order to be able to provide for their families.

Labour unions are not asking for favours either, they only want to go on working to improve the conditions of workers in this industry and prevent them from becoming unemployed.

All these good citizens want only one thing, and they deserve it: more attention from the government.

Let us examine rapidly the official figures in order to find out what the textile and clothing industry means to Canada.

• (4:50 p.m.)

The textile industry has been established in the province of Quebec since 1845. Indeed, the first textile plant or mill as we used to say was founded in the city of Sherbrooke.

Today, the textile industry has 37 plants and employs 83,000 Canadians. In the province of Quebec, 47,000 people earn their living in primary textile products industries. In Ontario and the Maritimes, many have found

a job in the textile industry. In Quebec, the annual production of primary textile products is valued at $850 million. From 1946 to 1967, the cotton industry spent the impressive amount of $350 million on the construction and repairs of buildings alone. From 1960 to 1964, the productivity of textile plants increased almost fivefold.

During the past ten years, it is interesting to note that the price of textile products has remained almost the same. There has been only a slight increase and this in spite of the fact that the industry had to face the problem of salary increases and higher costs for services and transport.

As for the clothing industry, it provides employment to 110,000 workers, 50,000 of them in Montreal, 19,000 in Toronto and 6,000 in Winnipeg.

Let me remind you that in the forties, the Canadian textile industry supplied about 75 per cent of the domestic market. Today, it scarcely supplies 60 per cent of the consumption and if the present economic conditions persist, it is to be expected, Mr. Speaker, that its share of the Canadian market will dwindle even more. What are the reasons for the smaller share of the Canadian market going to the Canadian industry? Imports from countries where labour is cheap are mainly responsible for that.

I would like at this stage to quote a few statistics to better enlighten the House on the conditions existing in this industry.

Imports from Japan, which were 2 million pounds in 1954, have now reached 37 million pounds. In 1954 imports from Asia totalled 4 million pounds, today they amount to 47 million pounds. In 1954, we were importing one million pounds of textile products from eastern Europe, when today 20 million pounds find their way into Canada. From low income countries we were importing half a million pounds in 1954, and today we get 15 million pounds from them.

As far as the United States are concerned, their exports to Canada have increased from 68 million pounds in 1954 to 110 million pounds today.

Our imports from the United Kingdom are still much the same, that is 26 million pounds annually.

These increases in our imports, Mr. Speaker, have resulted in 5,000 fewer jobs since 1966. As for the shirt industry, statistics are shocking.

One can read at page 36 of a publication entitled *L'avenir du textile et du vêtement au Québec,* the following:

> Our industry makes up 50 per cent of the total market. In 1966, total imports of shirts represented only 25 per cent of the whole market. Imports have doubled in less than three years.

Further on, the following comparison is given:

> In 1965, domestic production amounted to 1,841,000 dozens; imports, to roughly 750,000 dozens.

In 1966, domestic production amounted to 1,674,000 dozens; imports, to 764,000 dozens. In 1967, domestic production was 1,477,000 dozens and imports 1,042,000 dozens. In 1968, domestic production amounted to 1,296,000 dozens and imports to 1,400,000 dozens.

I go back to the quotation:

> In the first three months of 1969, total imports of shirts increased by 70,000 dozens—

Such statistics are surely conducive to some concern on our part. They constitute warnings of which the government should take note even now.

The leaders of the textile and clothing industries, as well as those of labour unions have been expecting the government to come out with a textile policy, but it has yet to come.

A few statements have already been made on the matter.

The April 7 issue of the *Globe & Mail* gives an account of what was said by Mr. E. Douglas James, President of the Cotton Institute of Canada and of Cosmos Imperial Mills Limited, of Toronto, a company employing 1,500 workers. I quote:

[*English*]

> If they say they don't want a textile industry we will be ready to close down our mills. If they say they want a viable industry we're prepared to stay.

When Mr. James says "they", he means the government.

[*Translation*]

In the same article, we can also find what was said by Mr. Gerald Bruck, President of Bruck Mills Limited, of Montreal. Here is what it says, and I quote:

[*English*]

> The plants are in great shape. They (the manufacturers) are paying a lot for labour and they are pressured by imports.

Mr. B. S. Saunders, managing director of Wabasco in Montreal, says:

> This lack of information is like going to the doctor and getting all the x-rays taken and having

him say, "come back in two weeks" and six months later still nothing has happened.

• (5:00 p.m.)

[*Translation*]

It would be interesting to know what the officials of some industries, one of which is a local one, are thinking. I have here a letter addressed to me by Mr. Midgley, Vice-President and General Manager of Penman's Limited, which reads in part as follows:

[*English*]

You undoubtedly know that the government is in the process of considering the above-mentioned subject and that an announcement is expected in the near future. For many years, the industry has called upon the government for a statement of policy. The main problem which has just been made public, and with which you are conversant, is that of "imports at low prices".

The need of a policy is proving obvious, because manufacturers want to determine whether their position is viable before making capital available in the future for investments which could create new jobs. Canadian manufacturers supply at the present time only 50 per cent of the domestic textile market. We are the only country with such a fully developed industry to tolerate imports of goods at low prices in such quantities that they become the cause of such harmful pressures.

What we are seeking is a statement of policy concerning the role which our industry will be called upon to play in Canada, in order to prepare adequate plans.

[*Translation*]

Mr. Speaker, the Canadian textile industry wants to know whether or not this government wishes it to continue its operations. For 1967 alone, if the products which came from countries with low production costs had been manufactured in Canada, the Canadian textile industry could have offered 20,000 more jobs than it does now.

Is it the intention of the government to give the death blow to the textile industry? It is time that those interested in this industry know what the situation is, and that as soon as possible.

When we consider the efforts made by management in this industry and its long-time investments in Canada, it seems desirable to limit imports so that the Canadian industry may rely on 70 per cent of the Canadian market. As I say, the Canadian industry does not want subsidies; it only wants to know whether the government really wants it to carry on. It is a very simple and straightforward question. It is time for the government, who has been beating around the bush for months, to stop doing so, in the best interests, not only of the industry but also of the workers and of their families to whom it provides their daily bread.

Is it really to much to ask the government to take the necessary steps in order to preserve one of our oldest industries? I do not think so.

I believe that it could be possible to allow this industry to provide more jobs, since, according to its own information, if it could be assured of a share representing 70 per cent of the Canadian market, it could, from now until 1975, guarantee 16,000 or 18,000 extra jobs.

Since the Minister of Regional Economic Expansion (Mr. Marchand) spends millions of dollars to promote new industries, it would probably be only logical to try, at least, to keep those already existing in this country. I believe that I am not asking too much and I wish the responsible minister, that is the Minister of Industry, Trade and Commerce (Mr. Pepin), would tell the public, and this, as soon as possible, what the government policy towards the textile industry will be in the years to come.

[*English*]

Mr. Rud L. Whiting (Halton): Mr. Speaker, although it is a little over a month since the Minister of Finance (Mr. Benson) presented his budget, I expected to receive more comments than I did as I travelled through my constituency during the Easter recess.

Mr. Dinsdale: The people know it is no use commenting.

Mr. Whiting: It may be that the budget was received by the people as a sort of anticlimax, the minister having received his due share of public attention during the past few months. This is not to say that the budget that he presented did not parallel his previous budget as to the timeliness and appropriate measures which it contained. We are all aware that inflation was the No. 1 problem around which he had to build his budget. I think the government is to be commended for the introduction of credit controls.

I recently raised a question in the House on the indiscriminatory manner in which leading financial institutions and various companies engaged in retailing are distributing credit cards. I am pleased to see that the government is investigating the use of credit cards and the effect these cards are having on inflation. It is my contention that this credit could serve Canada far better if it were granted in order to increase the productivity and efficiency of this country. It is through increased

productivity and efficiency that we will break the back of inflation, and not through the indiscriminate distribution of credit cards. I am thinking of the man, for example, who could be given the same credit with which to expand his plant, to buy more efficient machinery, to update his manufacturing methods to lower the cost of his products, thereby helping to beat inflation and also to create more jobs.

In the minister's reference to the economic prospects and fiscal outlook for the coming year he anticipates that the growth rate will be lower by between 1.5 per cent and 2 per cent than last year's rate of 4.8 per cent. While there will be an increase in employment, it will not keep pace with the growth of the labour force, resulting in an increase in unemployment. The latter is evident now. In this respect, in my opinion the record should be set straight. This government is not using unemployment as a tool to fight inflation, as implied by certain opposition members of this House and certain groups outside. No government, Mr. Speaker, could be so callous or cruel. I for one could not be party to such action.

To me, labour leaders today should show the same foresight as leaders in the business community did in co-operating with the Prices and Incomes Commission in trying to control price increases, instead of their present attitude of criticizing the government's attempt to fight inflation. We are all aware that every labour union in this country is an autonomous group. Nevertheless, the men who speak nationally for labour might well have endorsed in principle a policy of wage restraint during this critical period and in so doing displayed leadership to the men and groups they represent. Surely labour should be co-operating with the government and be thinking of the job security of their workers, because indeed, Mr. Speaker, if they do not inflation will continue and unemployment will increase in direct ratio to the rate of inflation.

Another matter I would like to bring to the attention of this House is a recent statement made by the Governor of the Bank of Canada, who stated that 7.75 million man-days were lost as a result of Canadian strikes in 1969. These strikes and the hardships they cause to the membership of the union, the business and the community involved are, in my opinion, another direct effect of inflation. Unless inflation is brought under control we can look for more strikes, more bitterness and more strain. So inflation is not only a dollars and cents proposition; it tears at the very fabric of Canadian life by dividing us in this way. So again I call upon labour to co-operate with the Prices and Incomes Commission in its efforts to control rising prices. This cannot help but improve employment conditions.

It is no secret, Mr. Speaker, that I represent the riding with the highest per capita income in Canada. This means that my constituents are presently carrying a better than average taxation load. So it is no wonder that they are most concerned by the effects the final version of the white paper will have on their lives.

I was pleased when the Prime Minister (Mr. Trudeau), in his speech at a fund-raising dinner in Toronto, reassured the people of Canada that the white paper contained proposals only and the legislation which will ultimately be brought before this House will contain many of the suggested changes submitted by thoughtful people. I was pleased because this was an assurance to the people of Halton who have taken the time to make many worth-while suggestions that we will end up with a tax structure that will be fair and equitable. Although I have received a few "nut" letters, the majority of the hundreds I have received have been constructive and well thought out.

• (5:10 p.m.)

The great majority of these letters were primarily concerned with the deemed realization of capital gains every five years in equity ownership of widely held Canadian corporations and the elimination of the preferred tax rate on the first $35,000 of corporate earnings which would have its greatest effect on small companies. For example, the Oakville Chamber of Commerce in their letter to me stated that the deemed realization of shares in widely held Canadian corporations is discriminatory and elimination of the preferred tax would be punitive. However, I am happy to see that the Minister of Finance has already stated and has asked the committees studying the white paper to consider some method to offset the adverse effect that an increased tax would have on small companies.

I wish to make a suggestion to the members of the committees. I believe they should call in officials from the Industrial Development Bank when this proposal is being studied. I believe that the Industrial Development Bank could provide the committee with a lot of very useful information in this area, because they are dealing constantly with small businessmen and businessmen in general and they know their problems.

Other suggestions I received were concerned with the proposed capital gains tax on the appreciation in the value of homes and personal possessions. It was felt that it was unrealistic and should be changed. A $1,000 limit in Halton is not feasible because houses have appreciated $2,000 and more per year. I have the figures to prove this. I urge the committee to study this proposal very carefully because I hope it is not the government's intention to collect taxes on the sale of private homes. I hope it is not the intention to tax a man who, say, receives a promotion or wishes to upgrade his living standard and sells his old home at a capital gain in excess of $1,000 per year, plus the cost of repairs, to buy a more expensive home: Surely it is not the intention to penalize this individual. Many other letters dealt with the proposals to increase tax on earning from $10,000 to $20,000 per year.

If the legislation, when enacted, produces the surplus projected, I recommend to this House that this surplus be used to reduce the tax burden, rather than launching into any more universal welfare programs. I must say that most of my constituents are in favour of the principle of capital gains but do not agree that it be set at the same rate as that of income, and further, that should a capital gains tax become law, the estates tax should be substantially reduced or abolished.

I think that I have received a directive from my constituents through these letters and comments, and I believe this is the case with every member of this House. I therefore regard it as my duty as the member for Halton to express the views of my constituents and to represent these views in this House. The people of Halton have been genuine in their desire to play a part in participatory democracy. Many have written me more than once, clarifying and sometimes tempering their suggestions or strengthening the points they had made previously. I have met through their letters people in my riding whom I might never have been in contact with otherwise. It has been a warm experience in most cases, as have been the meetings I have attended. Courtesy by those who disagree has been impressive. I was pleased that my coupon mail showed that almost everyone knew their member's name. It was not because of my constituents that Mr. Brown lost his Ottawa post office.

I would now like to discuss a problem which is of vital concern to me and to many other members of this House. Over the past two years I have been called upon by three municipalities in my riding—Acton, Georgetown and Milton—which have received what might almost be termed ultimatums from our national railways. Canadian National Railways advised the town of Acton that they proposed to remove the agent and all railway business would be transacted from their Guelph master agency. I dealt with this in my maiden speech. Apparently, the CNR did not get the copy of *Hansard* I sent them because the station agent was subsequently removed.

The town of Georgetown has received word that certain passenger trains which have served the people of Georgetown for many years are to be discontinued. A hearing was held before the Railway Transport Committee of the Canadian Transport Commission. This discontinuance of service will also affect the town of Acton. The town of Milton received word from Canadian Pacific Railway that it intended to curtail passenger train service in that community. Previously, four trains serviced Milton, but now this service has been cut in half. Canadian National Railways has long since discontinued passenger service here also.

It would appear that when either of the railways set upon a course of action there is little that can be done to stop them. It is true that hearings are held, but having attended and participated in the hearing held in Acton I am convinced it is little more than shadow-boxing. The communities have really no facilities at their disposal, while the railways appear with their pseudo experts armed with their slide rules and brief case loaded with data and statistics, but not necessarily relevant facts. It all looks very sincere, honest and impressive, but it always seems there is one thing overlooked—the people. Of course, standing up for the people is like being in favour of motherhood in the eyes of the commissioners. Nevertheless, there is something lost in the community when railroads take these actions. A way of life that has helped to make these communities a desirable place to live is being taken away. And further, these changes create many inconveniences. For example, the discontinuance of the trains in Georgetown will have a far-reaching impact upon the public's convenience and necessity for transportation service, particularly between Georgetown and Toronto. These trains are used by people who wish to travel back and forth between the two communities as well as by regular commuters.

We hear a lot today that we should guard with all our might against impeding the development of small business, but what about the small communities? Should we not have equal regard for them? I think we should. It would seem that in any decisions that are handed down by the Transport Commission, the benefits that would accrue to the railroads are always upheld. Of course, the plea of the railroads at any of these hearings is the need for economy, but are the railroads the only consideration in cases of this kind? I believe that decisions of this nature have broader implications and go far beyond the Canadian Transport Commission.

• (5:20 p.m.)

Our highways, for example, are being plugged with automobiles, and ways and means must be found to alleviate this situation. The cost of building highways is astronomical. Train service is one of the answers: this is proved by the Go train service running east and west out of Toronto. While highways are a matter of provincial jurisdiction, nevertheless this does not prevent the railways from co-operating with the provinces, with federal backing. The railways have played a dominant role in the building of Canada and they are responsible for the location of many of our present day communities. They have contributed to the prosperity of those communities. In my opinion, Mr. Speaker the railways have a new role to play. There is a growing transportation problem in this country and the railways must provide part of the solution. Highways cost money, and if the railways will lessen the need for highways, why should we demand that every branch line and every station has to pay its way? The federal government should have something to say. I believe it is time we had a national transportation policy.

Some hon. Members: Hear, hear!

Mr. Whiting: Welfare, Mr. Speaker, is a part of any budget. Any way which can be found of reducing these charges means a reduction in taxes for all taxpayers. More than costs are involved. In my opinion, one of the greatest social injustices we have in Canada is that suffered by deserted wives and children. Not only does the husband who deserts throw the support of his family on the shoulders of the taxpayers, but he can run around Canada without responsibilities, having himself a fine old time. If he can be located, then our courts can take the necessary action to make him assume his share of the burden of raising his family and housing his wife. But I was surprised to find out how hard this location problem is for the wives.

Remember, these are women who are suddenly left alone, without means of support other than mothers' allowance paid by the province, of which the federal government pays half, and any welfare assistance they are able to secure. Her state of existence is surely one to wrench at your heartstrings. I recommend that hon. members who are not lawyers should take the time to talk to family court judges in their ridings and listen to them outlining the problems they face in trying to assist these deserted wives. I have had discussions with the provincial family court judge, Judge Kenneth Langdon, in my riding of Halton. I have also discussed this question with lawyers, social workers and police officials. They all agree that this is a pressing and serious problem.

Let me give the House an example of one case which occurred in my own constituency. A mother with four children, two of them of pre-school age, called me requesting some assistance in obtaining a Canada Manpower retraining course. Her husband would not give her any money to buy food for herself and her children; they were two months behind with the rent and other obligations; any day she expected to find the bailiff at her door. In order to put food on the table and clothe herself and the children she did housework, taking the two younger children with her. Her husband had found other interests which took most of his time and most of his money. A clerk-typist course was not the answer.

A court order was issued and the husband was made to pay a portion of his earnings to his wife in order that she might provide for herself and her children. This woman, in my opinion, was one of the more fortunate wives inasmuch as the family court knew where the husband could be found and where he was employed. What would have happened to this family had this man run off, say, somewhere out west? In this case, as in so many others, the wife had no money to enable her to trace her husband. He gets off scot-free except for the tax he pays on his earnings; the taxpayers would have had to support his deserted family.

Now just suppose there were some way to trace these types of men. No one would want to force them to return to their wives, even if the wives would have them. But the courts can and would make them bear their financial

responsibilities. The results would be that welfare costs in all parts of Canada would drop. Indeed, they would be dramatically reduced, since the number of deserted families is much higher than is generally realized.

• (5:30 p.m.)

There would also be another advantage, not monetary but of real importance. The deserted family would no longer be on the welfare rolls. The sense of dignity for these women and children would be restored. They would be able to pay their way and hold their heads as high as they are entitled to do. For this reason I do not see this primarily as a taxation problem, although it is an expensive one. It is a "just society" action to find some way to locate these deserters effectively, economically and quickly.

Before I outline a possible solution to this problem of how to trace these husbands I want to emphasize two main points. First, in Ontario when fathers are separated from or leave their children, at the time funds are to be made available from provincial or local welfare agencies to buy food, clothing and to care for them they insist that a charge be laid against the husband under the Deserted Wives and Children Maintenance Act.

Second, where there are children under 16 separated from their fathers for whatever reason, the provincial judge in all cases makes an order ordering the father to support these children. Regardless of why a husband or father is living apart from the children, he is legally obliged to provide support. I should like to add that it is of deep concern to me that the obligation is only valid until the child reaches age 16. I believe that serious consideration should be given to raising this age limit.

In my opinion, when a provincial judge hands down an order that a deserting father or a deserting husband must make payment to his family for their support, and his whereabouts are not known, the judge should be able to request the most up-to-date information as to where the husband or father might be found. Here, Mr. Speaker, is where I believe the federal government could be of substantial assistance to the provinces. When a provincial family court judge would like to know the whereabouts of a husband or a father, he could notify an appropriate provincial department; for example, in Ontario it could be the Department of Social and Family Service. This department in turn could contact the federal government requesting the last known address of this husband and father in question. How much information is now available at the federal level is not known to me. However, I believe a pool of such information could be obtained from the Unemployment Insurance Commission, the Canada Pension Plan and other branches of government which might be used to provide this source of information.

If we put the two things together, the evasion of responsibility by individuals so that others have to pay and the reduction of the number of families on welfare, surely it would be in the interest of all Canadians, except those husbands who want to "live the life of Riley", if we were to examine this problem in depth. This is another area where the federal government could show leadership. I am sure this would receive the co-operation of all the provinces, the provincial family courts, welfare workers and every municipality, because they realize the seriousness of this problem. I would suggest, therefore, that the Minister of National Health and Welfare (Mr. Munro) include a recommendation to this effect in the white paper on social welfare which he proposes to present to this House in the near future; or perhaps this could be made the subject of separate action on his part.

I believe that some method of tracing these men could be found that would be practical, economical and which would not run counter to our Canadian way of life or our civil liberties. If we can liberalize, as we have done, the laws on abortion for the betterment of women, we must also be able to find a way to make a family court a place where something can be done for those women who so desperately look to the law to right their wrongs, instead of the way it is at present.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I was interested in some of the remarks made by the preceding speaker, the hon. member for Halton (Mr. Whiting). I was particularly interested in what he had to say about the suggestion that has been made from this side of the House that this government is deliberately setting about to create unemployment. I am not sure that I got the hon. member's words correctly, but I believe he said he would not want to be part of a government that would deliberately set about to create unemployment.

Let me remind the hon. member that his leader, the Prime Minister (Mr. Trudeau), has said on television that if necessary he and the

government which he heads is prepared to drive the unemployment figure to 6 per cent to curb inflation. In light of that statement and the remarks made by the hon. member, I wonder whether he would want to be a part of this government which would drive the unemployment figure to 6 per cent or more. I am sure, after what he has said this afternoon, that he would not want to support the Prime Minister and this government which would set out to achieve this aim, that is, to deliberately create unemployment to the point where it reached a national average of over 6 per cent.

I look at this budget as a Member of Parliament concerned—

Mr. Whiting: I rise on a point of order, Mr. Speaker. After listening to the remarks made by my hon. friend, I wonder whether he realizes what the unemployment figure would be if the government did not attack inflation, which is the No. 1 problem in Canada today.

Mr. Fairweather: That is debate, not a point of order.

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

Mr. Whiting: Where would the unemployment figure go?

Mr. Carter: Mr. Speaker, I am more concerned with what has happened in the past year and how the unemployment figure has been driven up because of this government's phony war on inflation. I can understand the hon. member's lack of concern for unemployment because, by his own admission a moment ago, he said he represents a riding that has the highest per capita income in Canada. I am not surprised to know that he is not too concerned with what is happening on the national scene with regard to unemployment.

Nor is the hon. member concerned about the deliberate attempt on the part of the government he supports to drive unemployment to the point where it has become almost unbearable to a large segment of our population, especially those 500,000 Canadians who have been forced to go on the rolls of the unemployed. This is the result of the heartless and cruel policies of the government which he supports, which has deliberately driven the unemployment figure to the point it has now reached.

I look at this budget as a Member of Parliament concerned with Canada as a whole and as a Member of Parliament with particular interest in and a duty to the constituency of St. John's West. From whatever point I view it, it is something like a cat that was dragged in. As I said before, we have a government which has deliberately set out to create unemployment. As if it is not enough that it should set out deliberately to force men out of jobs and onto the unemployment rolls, this government has the brazen gall to brag about it. We have heard the Prime Minister say that if necessary he is prepared to see the unemployment figure go to 6 per cent. We have heard the Minister of Finance (Mr. Benson) make similar remarks. As I said before, not only is the government taking this stand and adopting this policy with that effect, but it has the gall to brag about it.

It is perfectly obvious to most of us, and indeed to most Canadians, that the economic policies of this government as represented by the Budget at this stage guarantees no assurance of success and no assurance that it can beat inflation without ruinous results. It is also perfectly clear from the Budget address that inflation is not being licked. We have no better evidence of that than the evidence given by the Minister of Finance. He forecast a reduction in the real growth of the gross national product of 3 per cent this year. The major consequence of this lower growth rate is an unemployment level ranging over the year at 6 per cent.

During the past two years much has been made of the fact that this government was elected on the charisma of the Prime Minister who made no promise except to build a just society. It is quite obvious to this House and to the majority of Canadians that the Prime Minister did not keep that promise. In fact, he has done just the opposite; he has built an unjust society. Obviously the government is anxious to keep the Prime Minister's Christmas promise of a 6 per cent unemployment figure. This, of course, means much higher levels in the low-growth areas and in areas which are subject to seasonal employment fluctuations.

• (5:40 p.m.)

In this country and during this decade a federal government budget is of immense importance. By experience and common sense, and because of a desire to do great and noble things, the people of this country have given our government vast fiscal and monetary powers. The government does not have these powers for petty reasons. Generous and talented people have charged the

government with the task of leading us in shaping a fulfilled society. Essentially, the policy of Canada is the pursuit of common goals to end uncertainty, to end poverty, to moderate the causes of strife, to help Canada grow, to improve and make things work, and to keep the country and make it ours.

In diverse expression these common goals are being sought by 21 million people. My colleagues and I consider it our right and responsibility to judge the present government's budget in terms of these energetic, national goals. It is from this standpoint that we condemn this budget of the Liberal government. Frankly, we hold the opinion and the suspicion that good government in Canada is somewhere in exile.

In terms of historic experience, the reduced growth of our gross national product and higher unemployment should have a substantial dampening effect on inflationary tendencies, but in Canada today we have a different situation. Prices and wages still continue to increase to what the Minister of Finance calls unacceptable levels. The meaning, of course, is unmistakable. Despite a downturn in the economy and higher unemployment, the inflationary forces at work in the economy are not yielding. The minister admits in his statement that it is particularly hazardous to try to make any forecast of price and income changes in the balance of this year.

This inflation has not disappeared as it should have. The government's restrictive fiscal and monetary policies have not budged it. Prices keep on rising. The interesting question we must ask ourselves—I am sure most Canadians are asking it—is what the situation will be six months from now, with unemployment running at deliberately increased levels in order to produce a slack in demand while inflation is still continuing at or near the present level.

The minister is confronted with a dilemma for which so far he has no answer except to pray that the Prices and Incomes Commission will have an impact on the economy. So far the results do not appear to indicate that is likely to be forthcoming. The Prices and Incomes Commission, as laudable an effort as it may be, has not at all shown that it can achieve price stability in the economy. It has no teeth and no power to force labour to enlist in the anti-inflation fight. In fact, the budget speech notes that there will be difficult wage negotiations this year with perhaps several costly, prolonged strikes. This, again, is an outright admission by the minister that costs, and consequently prices, will continue to escalate in 1970.

[Mr. Carter.]

In a return tabled in this House some time ago it was very interesting to note that the co-chairmen of the Prices and Incomes Commission are being paid $40,000 a year. As the right hon. member for Prince Albert (Mr. Diefenbaker) would say, they have won their war on poverty. I think the half million people out of work in this country, many of them forced to be jobless by a cruel and heartless government which deliberately creates unemployment, will be heartened to know the men working for them to keep prices down and spike the inflationary psychology are doing very well at $40,000 a year.

It is quite obvious that as a result of the present policies of this government unemployment will continue to be very high. Inflation apparently will continue. Will the answer simply be even more tightening of the screw? How much unemployment is socially or politically acceptable in the name of beating inflation? The Minister of Finance, on CTV's Question Period show, said that higher unemployment may be necessary if we are really to beat inflation. This is a shocking statement. I would refer also to the remarks of the hon. member for Halton who a moment ago expressed the opinion that he would not want to be a part of any government that would deliberately set about to create unemployment.

The record will show that the Minister of Finance on this CTV program did admit that it may be necessary to increase unemployment in order to beat inflation. I think there is in Canada a great deal of sympathy for the Minister of Finance. I believe he has shown some real determination to beat inflation. I am sure he has taken some very serious political risk. So far, however, his policy has not done the job. The minister's speech implies that if it does not work in the next six months, at the moment he does not have any better ideas. It is quite obvious that the minister and his leader, the Prime Minister, and indeed the government as a whole are gambling on a theory that may or may not work. I think this is a very serious matter, because in so doing he is inflicting a lot of suffering, perhaps unnecessary suffering, on the Canadian public, on the taxpayers and on our working force. I feel this is a very serious and dangerous course on which the government has embarked.

For the sake of Canada and our unemployed I hope this policy will work, but like my colleagues and most other Canadians I have very grave doubt whether the government's anti-inflationary policy will prove to be in the best interests of Canada and will indeed work as it has planned. It would appear to be pretty obvious that there will be another budget this fall. The indicators at this point suggest that even sterner measures will be taken. The minister's measures have not worked to date. They are not likely to work any better in the next six months. The minister will be back here in the House with another budget. He will be pouring on more restraints and taxes. I believe the unemployment figure must not be allowed to increase even further in order to help the minister prove his point that the policies he has adopted and those of his colleagues in the cabinet will have the desired effect of beating the inflation which we have in Canada at this time.

I should like to make a few remarks about the consumer credit controls proposed by the minister. How effective will these controls really be? The 20 per cent down payment and the 24 months' period for repayment are not very far from normal practice. Even the minister's own advisers are sceptical of his estimate that the effect will be to reduce consumer spending by about $400 million. The people in the credit business estimate the figure to be only about half that. What is $400 million, anyway? If that figure is accurate, consumer spending in Canada in 1970 will be about $49 billion instead of $49.4 billion.

The potential loopholes in the program envisaged by the minister are innumerable. The minister says he does not expect any buying spree in the next few weeks before the controls are imposed. I am sure we can all visualize dealers in some of the remote parts of Canada who are saddled with large surplus stocks offering in the next few weeks no down payment and seven years to pay if for no reason other than to move their stock.

These controls on credit will hurt the people who contribute least to inflation. The Prime Minister told reporters outside the House last week that this measure would protect the little guy. I say that is hogwash. It will not protect the little guy; it will make things much tougher for him in trying to obtain employment to earn enough to keep body and soul together and to retain his independence.

• (5:50 p.m.)

As I have said, the program appears to be full of loopholes. In fact, the government appears not to have thought about the details of the program at all. There are dozens of ways in which the program could be circumvented, and the government has not really built up much legal justification for the controls, which might prevent a constitutional challenge from the provinces.

So we have a government that has quite obviously embarked on a policy of which they are not too sure. They are not convinced in their own minds that the policy to curb inflation on which they have embarked will work. They are gambling with the lives and the livelihood of the Canadian people, the average working man in Canada. By their own admission they have set about to deliberately create unemployment, hoping that this will have the desired effect of curbing inflation. I am convinced, and I am sure that many Canadians will agree with me, that they are wrong.

Their policy, which has been pretty well adopted right across the board, according to which the "have not" provinces are being forced to take the same medicine as the "have" provinces, where the people in the economically depressed areas of Canada are being forced to take the same medicine as that dished out to the better off provinces, is wrong too.

I should inform the minister that in my province of Newfoundland there is no sign of inflation. Inflation down there is pretty well a foreign word. Unemployment is probably at its highest peak since Confederation. At present it is estimated to be approaching the 22 per cent mark. The national unemployment figure rose to 6.5 per cent, while in the Atlantic region it is 11 per cent or 12 per cent. There are provinces, such as the one which I have the honour to represent where the unemployment figure is reported to approach the 22 per cent level. This has been brought about largely by the government's illogical policy with regard to inflation and its attempts to curb inflation.

I am convinced, and I am sure other members will agree, that while we have inflation in certain areas of Canada, we should not penalize people in the depressed areas, which is what is happening. I think the Premier of Nova Scotia was right when he said that the present government's policy can be likened to a family in which one child is sick but the entire family is being forced to take the same

medicine. In Canada there are certain areas where inflation is present, but we should not impose the same restrictions and policies on the "have not" or economically depressed areas where inflation is a foreign word.

This government must accept its responsibilities to all the regions of Canada and must make good its promise to bring an end to regional disparity. In the past couple of years we have heard much talk about the Prime Minister's so-called just society. We have heard much talk about bringing an end to regional disparity. But so far we have seen very little action. I grant that certain measures are being taken by the Department of Regional Economic Expansion to help some of the "have not" areas in Canada, including the Atlantic region; but I am not convinced that these measures will be sufficient to bring about an end to disparity and to bring the "have not" areas of Canada up to a level where they can enjoy the status of first-class citizens.

In Canada a large number of people do not enjoy the status of first-class citizens. I can think of a large segment of our population in Newfoundland which does not enjoy the rights and the status of first-class Canadians. Until such time as Canada can give all its people equal rights and equal opportunities, I do not think we can boast of the influence that we have in certain parts of the nation and say that all our citizens are being treated alike and enjoy the status of first-class citizens.

Many measures have been taken by the government in recent months that have had a detrimental effect on the provinces. We have seen the Postmaster General (Mr. Kierans) close down a large number of post offices. The argument that he is using is that it is cheaper to initiate the rural delivery system than to maintain the present post offices in various parts of Canada, especially in my riding of St. John's West. I think the Postmaster General's policies are wrong. I think time will prove that the system he is now trying to inaugurate will eventually cost more than it would have cost to retain our present post offices and the system under which a large number of the smaller outports in Newfoundland, and indeed in the west of Canada operate.

I would liken the Postmaster General to someone who is groping in the dark and who is trying to find an answer to some of the problems that are obviously facing his department. I do not think that the elimination of post offices in Canada—and I can speak with some authority for my riding—is the answer, and time will prove that the Postmaster General is wrong.

In the matter of the fishery, which of course is very important in the Atlantic areas of Canada, we have serious problems.

Mr. Speaker: Order, please. I have to interrupt the hon. member because it is six o'clock. This house stands adjourned until 2 p.m. tomorrow.

At 6 p.m. the House adjourned, without question put, pursuant to Standing Order.

APPENDIX "A"

U.S. PRESS RELEASE ON CANADA'S CLAIM TO JURISDICTION OVER ARCTIC POLLUTION AND TERRITORIAL SEA LIMITS

Unclassified
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Arctic Pollution Legislation

Following is text of statement to be released by State dept at noon briefing Apr 15. Text begins.

Last week the Cdn govt introduced in the House of Commons two bills dealing with pollution in the arctic, fisheries and the limits of the territorial sea. The enactment and implementation of these measures would affect the exercise by the USA and other countries of the right to freedom of the seas in large areas of the high seas and would adversely affect our efforts to reach innatl agreement on the use of the seas.

The bills seek to establish pollution zones in arctic waters up to 100 miles from every point of cdn coastal territory above the 60th parallel. Within these zones, cda would assert the right to control all shipping, to prescribe standards of vessel construction, navigation and operation, and to prohibit, if CDA deemed it necessary, the free passage of vessels in those waters. Additionally, the legislation seeks to authorize the establishment of exclusive CDN fisheries in areas of the high seas beyond 12 miles, such as the Gulf of St. Lawrence and the Bay of Fundy, and of a 12-mile territorial sea off CDAs coasts.

Innatl law provides no/no basis for these proposed unilateral extensions of jurisdictions on the high seas, and the USA can neither accept nor acquiesce in the assertion of such jurisdiction.

We are concerned that this action by CDA if not/not opposed by us, would be taken as precedent in other parts of the world for other unilateral infringements of the freedom of the seas. If CDA had the right to claim and exercise exclusive pollution and resources jurisdiction on the high seas, other countries could assert the right to exercise jurisdiction for other purposes, some reasonable and some not/not, but all equally invalid according to innatl law, merchant shipping would be severely restr, and naval mobility would be seriously jeopardized. The potential for serious innatl dispute and conflict is obvious.

The USA has long sought innatl solutions rather than natl approaches to problems involving the high seas. We are working for appropriate action within the UN framework looking toward the conclusion of a new innatl treaty dealing with the limit of the territorial sea, freedom of transit through and over innatl straits and defining preferential fishing rights for coastal states on the high seas.

We are also seeking new innatl means for controlling pollution on the high seas. Last fall 47 countries, including the USA and CDA, participated in the preparation of two innatl conventions establishing the right of a coastal state to take certain ltd anti-pollution measures against vessels on the high seas, and also imposing strict liability upon the owners of vessels responsible for pollution. These conventions which the USA has recently signed were concluded under UN auspices at BRU. Other innatl approaches to control of pollution are underway at NATO and the UN. Moreover, the USA is acutely aware of the peculiar ecological nature of the arctic region, and the potential dangers of oil pollution in that area. The arctic is a region important to all nations in its unique environment, its increasing significance as a world trade route and as a source of natural resources. We believe the arctic beyond natl jurisdiction should be subject to innatlly agreed rules protecting its assets, both living and non-living, and have noted with pleasure the CDN Prime Ministers public statement that CDA would be prepared to enter into multilateral efforts to develop agreed rules of environmental protection. To this end, we intend shortly to ask other interested states to join in an innatl conference designed to establish rules for the arctic beyond natl jurisdiction by innatl agreement. We would be pleased if CDA were to join us in organizing such a conference.

We regret that the CDN govt, while not/not excluding these cooperative innatl approaches to our mutual problems involving the oceans, now proposes to take unilateral action to assert its own jurisdiction and establish its own rules pending the conclusion of innatl agreements satisfactory to it. For the reasons indicated earlier the USA cannot/not accept these unilateral jurisdictional assertions and

we have urged the CDN govt to defer making them effective while cooperating in efforts promptly to reach innatlly agreed solutions.

If, however, the CDN govt is unwilling to await innatl agreement, we have urged that in the interest of avoiding a continuing dispute and undermining our efforts to achieve innatl agreement, that we submit our differences regarding pollution and exclusive fisheries jurisdiction beyond 12 miles to the innatl court of justice, the forum where disputes of this nature should rightfully be settled. CDAs action last week excluded such disputes from its acceptance of the innatl courts compulsory jurisdiction. However, such action only prevents CDA from being forced into the court. It does not/not preclude CDA voluntarily joining with us in submitting these disputes to the court or an appropriate chamber of the court.

With respect to the 12-mile limit on the territorial sea, we have publicly indicated our willingness to accept such limit, but only as part of an agreed innatl treaty also providing for freedom of passage through and over innatl straits.

The history of US-CDN relations is unique in world affairs for its closeness and co-operation. We are confident that, in this spirit, our two countries will continue to resolve our differences amicably and with mutual understanding. Text ends.

HOUSE OF COMMONS

Thursday, April 16, 1970

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

HEALTH, WELFARE AND SOCIAL AFFAIRS

Fifth and sixth reports of Standing Committee on Health, Welfare and Social Affairs, in French and in English—Mr. Isabelle.

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

CANADIAN CONSTITUTION

TABLING OF REPORT ON THIRD MEETING OF CONSTITUTIONAL CONFERENCE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to table copies in English and in French of the report of the third meeting of the constitutional conference held in Ottawa in December last.

[*English*]

LABOUR CONDITIONS

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

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I ask for the unanimous consent of the House to move a motion under Standing Order 43 and I base my reason for requesting unanimous consent on the following facts: during March unemployment in Canada increased from 6.5 per cent to 6.7 per cent of the work force, the culmination of a steady rise during the past several months.

What is particularly alarming is the government's expressed intention to continue to deliberately increase unemployment as a means of combating inflation, despite the fact that it has now become clear that unemployment is the most serious problem facing the economy. High interest rates have slowed down the economic activity which provides employment, and the government has refused to have the Bank of Canada take the lead in gradually lowering interest rates so that economic activity and employment may increase to a satisfactory level.

I therefore move the following motion under Standing Order 43:

That this House, comprising the elected representatives of all of the people of Canada, consider and recommend effective steps to stimulate economic activity, and thereby increase employment to a satisfactory level.

Mr. Speaker: The House has heard the motion proposed for consideration by the hon. member for Prince Edward-Hastings. Under the terms of Standing Order 43 unanimous consent of the House is necessary. Is there such agreement?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity and the hon. member's motion cannot be put.

• (2:10 p.m.)

MOTION TO ADJOURN UNDER S.O. 26

LABOUR CONDITIONS

UNEMPLOYMENT INCREASE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave, seconded by the hon. member for York South (Mr. Lewis), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the unemployment situation in Canada revealed in the Dominion Bureau of Statistics report released this morning showing 542,000 Canadians unemployed and a national unemployment rate of 6.7 per cent, which is the highest unemployment rate since March, 1964. The serious continuing unemployment problem in Canada has now reached a critical level and the House should now adjourn to discuss this vitally important matter.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands has served the required notice of his intention to move the

adjournment of the House under the provisions of Standing Order 26. The House is aware, of course, that similar motions have been proposed from time to time in recent months suggesting emergency debates to discuss either rising unemployment or the rising cost of living. The last such motion dealing specifically with unemployment was made by the hon. member for York South and there again it was based on unemployment figures released by the Dominion Bureau of Statistics. Even if I have every possible sympathy with the hon. member with respect to the motion he has just proposed, I doubt very much that the ruling of the Chair at this time can differ from the one which was made in connection with the last similar motion.

On that occasion I reviewed the authorities and the precedents on the subject, and did so at length. In particular, reference was made to a series of rulings by Mr. Speaker Mitchener and to subsequent similar rulings. My conclusion was expressed in the following words:

> The Chair recognizes readily that the motion raises a matter which is of importance and urgency. I am sure it is of important concern to all hon. members of the House. However, a careful and objective interpretation of the relevant Standing Order cannot, in my view, justify the acceptance at this time of the hon. member's motion.

I am sure the hon. member will appreciate the difficulty with which the Chair is faced in a situation such as this one. I am sure many arguments could be advanced for such a debate at this time. But the Chair has to make a procedural ruling and, with regret, I have come to the conclusion that the ruling which was made on an earlier situation such as this one must stand and that the motion cannot be accepted for debate at this time.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

GOVERNMENT ACTION TO COPE WITH INCREASED UNEMPLOYMENT—CONSUMER CREDIT REGULATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Prime Minister a question arising out of the unemployment figures just released by the Dominion Bureau of Statistics for the period ending March 21. I ask the Prime Minister whether, in light of these figures, his government would now stop the measures it is taking deliberately to slow down the economy and, on the contrary, take some measures to encourage an increase in employment? I ask him to consider this very earnestly because the number now out of work, 542,000, is higher than the annual figure during the last three years of the great pre-war depression.

Right Hon. P. E. Trudeau (Prime Minister): What is that again?

Mr. Stanfield: The number of Canadians out of work now, according to this figure, is higher than the number of those out of work during the last three years of the great pre-war depression.

Mr. Trudeau: Mr. Speaker, I do not see much to be gained by making these comparisons with earlier dates because we would only have to compare the figures now with 1961 and 1962 to realize that we are doing twice as well as the opposition, when in government, was doing at that time.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Trudeau: The question remains very serious for the present time, Mr. Speaker, and the only way I can answer is by saying that of course these figures are a very regrettable side effect, which has been discussed before in the House, of the government's fight against inflation. We all remember that a very few months ago the opposition parties were saying that the government was not doing enough about inflation. We indicated that our approach—

An hon. Member: Don't blame us.

Mr. Trudeau: —to the problem was dependent upon the voluntary co-operation of all sectors of the economy and that the faster that came about the less the risk of increasing unemployment. The only comment I can add to show that the effect of our policies has not been as predicted by the opposition is that, if we compare the figures today with those of last fall, there has at least been a falling off in the rate of unemployment in the Atlantic provinces and the province of Quebec, which indicates that the government's anti-inflationary policies are not having the hard side effects which had been predicted for the less favoured provinces.

Mr. Speaker: The Leader of the Opposition, a supplementary question. Order, please. I regret to interrupt the Leader of the Opposition but the hon. member for Gander-Twillingate is rising on a question of privilege.

Mr. Lundrigan: Mr. Speaker, I rise on a question of privilege arising out of the remarks of the right hon. Prime Minister. Perhaps unintentionally he conveyed to the House information which is not in accordance with the facts when he indicated that the Atlantic provinces have a rate of unemployment which is not higher than that of the fall of 1969 during which period the figure was 8 per cent. The figures released this morning, though they are a dilution of the actual unemployment, indicate that unemployment in Newfoundland is 15.3 per cent, the most serious it has had since it became a Canadian province—

Mr. Speaker: Order, please. I have to interrupt the hon. member. I would not think that is a question of privilege. He has made his point in any event and I am sure—

Mr. Trudeau: Mr. Speaker, he has made his point but I cannot make an answer.

Mr. Speaker: Order, please.

Mr. Hees: You must not interrupt the Speaker, Mr. Prime Minister.

Mr. Speaker: Order, please. The Leader of the Opposition.

Mr. Stanfield: Mr. Speaker, a supplementary question. Is it the policy of the government that it is necessary to maintain unemployment at these levels in order to conduct an effective fight against inflation? I ask this question, Mr. Speaker, in view of the grave dissatisfaction that the current policies of the federal government are giving to the Liberal leader in Quebec, Mr. Bourassa.

Mr. Trudeau: Mr. Speaker, the answer to the first part of the question is no. The second part of the question can be answered by saying this is irrelevant.

An hon. Member: Bourassa is irrelevant. You are so right.

Mr. Stanfield: One further supplementary question, Mr. Speaker. Since the only apparent reason for the government proceeding with its proposed consumer credit regulations would be to slow down the economy further, is it the intention of the government to proceed with this measure announced by the Minister of Finance in his budget despite these catastrophic levels of unemployment that have been disclosed by the Dominion Bureau of Statistics?

Mr. Trudeau: Mr. Speaker, I undertake to convey to the Minister of Finance that the Leader of the Opposition is suggesting he cease to fight against inflation.

Some hon. Members: Oh, oh!

Mr. Lambert (Edmonton West): Don't be so stupid.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, it will be of little comfort to the 542,000 unemployed that conditions were worse ten years ago. In view of the fact that the government's anti-inflation program has not succeeded in stabilizing prices, since the cost of living according to the latest figures increased during the month of March compared with February, I should like to ask the Prime Minister if the government is considering changing its fight against inflation and beginning to do something about the problem of unemployment by proceeding with expansionist policies?

Mr. Trudeau: Mr. Speaker, I take it that if the hon. member feels it is irrelevant what the figures were ten years ago he should also see that it is irrelevant what the figures were 25 years ago. This is the point I was answering.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The Prime Minister has not answered my question so I will see if he will answer my question in a previous supplementary. In view of the fact that the unemployment figure is worse in some areas of Canada than in others, particular in the Maritimes where it is 10.8 per cent, in Quebec where it is 9.2 per cent and in British Columbia where it is 7 per cent, is the government planning to adjust its anti-inflation program on a regional basis so as to alleviate the situation in those areas of Canada which are worst affected by unemployment?

Mr. Trudeau: Mr. Speaker, this gives me occasion to disagree with the facts as they were stated earlier by another member. The September, 1969, figure for the Atlantic provinces of seasonally adjusted unemployment was 8.5 per cent; now it has fallen to 6.9 per cent. The Quebec figure was 7.8 per cent and it has fallen now to 6.7 per cent.

Mr. Hees: What are the regular, straight unemployment figures? Let us have a little honesty.

Mr. Trudeau: Honesty would be of no avail if you are not intelligent.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I will come to the hon. member in a moment. I believe the hon. member for Nanaimo-Cowichan-The Islands wishes to ask a supplementary question.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in my supplementary I merely wish to ask the Prime Minister whether, instead of playing with the figures of last September or ten years ago, he would answer my question. Since unemployment figures are much worse in some regions of Canada than in others, does the government plan to adjust its anti-inflationary programs on a regional basis so as to alleviate conditions in those areas which are most adversely affected by unemployment?

Mr. Trudeau: Well, Mr. Speaker, the point I was making about comparing the figures relating to last fall with those of today was to indicate precisely that the thrust of our anti-inflation fight had not hit those provinces that are poorest and in which unemployment is highest. Precisely in those provinces unemployment has fallen over the past several months, which indicates that, difficult though the fight against inflation is, it has hit those less favoured provinces less than the more favoured provinces.

Mr. Speaker: Order, please. Is the hon. member for Gander-Twillingate rising on a question of privilege?

Mr. Lundrigan: Yes, Mr. Speaker. If the Prime Minister is allowed to present false information to the House, as he has, then we might as well give up the fight against inflation. Forget about your seasonally adjusted figures. The rate for one province on the east coast is up to 15.3 per cent, the highest in 20 years. The information the Prime Minister is presenting to the House today is not in accordance with the facts.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, since the Prime Minister is advancing his arguments in favour of his anti-inflation policy, has his attention been directed to the words of the Liberal leader in Quebec, Mr. Robert Bourassa, who had the blessing of the Prime Minister and the Minister of Regional Economic Expansion? He has said that he strongly condemns the federal government's anti-inflation program and that its fiscal policy is dictated by mandarins operating in a closed circuit—

Mr. Speaker: Order, please. The right hon. gentleman knows that I have to interrupt him on procedural grounds. Perhaps he might ask his question directly.

Mr. Diefenbaker: Well, I take it that although the Prime Minister never reads the newspapers—

An hon. Member: Let us have the question.

Mr. Diefenbaker: —he has read what Mr. Bourassa said.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Has Mr. Bourassa brought to the Prime Minister's attention his criticisms and is he justified in stating that if he wins the election these anti-inflation policies will be changed?

Mr. Trudeau: Mr. Speaker, the right hon. member asked me if my attention has been drawn to this. The answer, of course, is yes. It was drawn to my attention by the Leader of the Opposition, to whom the right hon. member obviously does not listen, in the first question today.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, I always admire a witticism. Sometimes I believe the Prime Minister does qualify as a wit but I am beginning to think I am only half right—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Prime Minister, but before I ask my question could I answer a question put by him?

Some hon. Members: No.

Mr. Speaker: Order, please. We have enough trouble now without the hon. member answering questions. I believe the hon. member has a supplementary.

Mr. Hees: Mr. Speaker, I couldn't quite hear because there was so much noise. I take it I have the right to point out a couple of facts to the Prime Minister.

Mr. Speaker: Order, please. The hon. member's assumption is incorrect. He can ask a question but not point out facts. If he has a supplementary, he has the floor.

Mr. Hees: It just shows you cannot win them all, Mr. Prime Minister—Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Hees: My supplementary question to the Prime Minister is: In light of the unemployment figures made available today, does he agree that the No. 1 problem facing the economy is unemployment? Will he therefore take the lead in asking the Bank of Canada to lead the way in steadily reducing interest rates so that economic activity can be accelerated and employment provided for our people?

Mr. Trudeau: A few months ago, Mr. Speaker, the hon. member asked the same question. The only difference in the question is that the word "unemployment" is now being used instead of "inflation". He asked if inflation was not the No. 1 problem. We followed his lead and took it as the No. 1 problem. He is now changing his mind.

Mr. Hees: The Prime Minister obviously has a static mind. Things change pretty fast in a country like Canada.

Mr. Speaker: Order, please.

Mr. Hees: Unemployment is the No. 1 problem and it is up to the Prime Minister to take some action.

Mr. Speaker: Order, please.

Mr. David Lewis (York South): A supplementary question, Mr. Speaker. Was the Prime Minister aware, when he gave the House the seasonally adjusted figure for September, 1969, that it is not proper to compare a seasonally adjusted figure in September with one in March? Has he, as he ought to have, noticed that the actual figure in the Atlantic provinces in September, 1969, was 4.9 per cent as against an actual figure today of 10.8 per cent of the work force? Was the Prime Minister trying to give the House information in answer to a question or was he trying to confuse the House and the people of Canada as to the unemployment situation?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I doubt whether the second part of the supplementary is in order. Perhaps the Prime Minister may wish to reply to the first part of the question asked by the hon. member for York South.

Mr. Trudeau: I am glad to join the argument at this time, Mr. Speaker. I think the whole purpose of having seasonally adjusted figures is precisely in order to permit comparison between unemployment in different seasons. Therefore it was perfectly proper and correct to compare the seasonally adjusted figures for September with those for March. As a matter of fact, it is the only way to compare figures for different seasons.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Lewis: Mr. Speaker, I will not follow the argument or exchange that has just been started. People who know anything about economics will know what to think about what the Prime Minister has said. Aside altogether from these comparisons, in view of the fact that there is inevitably a time-lag between the introduction of economic policies, whether expansionist or contractionist, and the effect those policies will eventually have on the unemployment situation, will the Prime Minister undertake to the House and the people of Canada that the government will immediately introduce expansionist policies in the hope that at least six or nine months from now the unemployment situation may be improved?

Mr. Trudeau: No, Mr. Speaker.

UNEMPLOYMENT INCREASE—REGIONAL ECONOMIC EXPANSION INITIATIVES

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. I will not direct my question to the Prime Minister because he appears to be in need of more staff. My question is to the Minister of Regional Economic Expansion who is being asked by the government to defy the law of gravity. Has his department been given authority through the policies of the government to exercise new and special initiatives in the slow growth areas of this nation in order to overcome the strangling effect of the tremendous increase in unemployment to the point where one province has 15.3 per cent unemployment, even though this is a dilution of the actual unemployment figure?

Inquiries of the Ministry

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are beginning to feel the benefits of the programs of which I am responsible. The agreements with the provinces are about to be signed. Those are the only tools available to me to reduce regional disparities. I have every reason to believe that they will be effective to allow normal development of slow growth areas in order to fight unemployment.

[*English*]

UNEMPLOYMENT INCREASE—RATIFICATION OF SPECIAL AREAS PROGRAM AGREEMENTS

Mr. James A. McGrath (St. John's East): In view of the fact that agreements in connection with the special areas program have been signed, and bearing in mind the alarming unemployment figures shown in the latest returns from the Dominion Bureau of Statistics, can the minister tell the House why the government of Canada has refused to ratify these agreements to date?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, nobody has refused to ratify agreements. This matter will be settled by competent government agencies. I hope this will be done in the next few days. I cannot think of any means which would be faster at this time to remedy the problem of unemployment in underdeveloped regions than the programs we have prepared, and even if I were to draft a new policy, several months would likely go by before its adoption by the House. Moreover, I have every reason to believe that we have at least a certain influence on this unfortunate situation.

[*English*]

Mr. McGrath: Yesterday, in the course of the consideration of the estimates of his department, the minister indicated that the agreements with New Brunswick and Newfoundland were being held up by the Treasury Board. Can he not exercise some influence over this branch of the government of which he is a member in order that this program, which is of such importance to the two provinces I have mentioned, may be speedily approved?

Mr. Marchand (Langelier): I did not say the agreements were held up by Treasury Board. I said they were before Treasury Board.

Mr. Lundrigan: Mr. Speaker—

[Mr. Lundrigan.]

Mr. Speaker: Order. I recognize how important this matter is, but perhaps we should given an opportunity to others to ask questions. I shall try to return to the hon. member for Gander-Twillingate in a few moments, but for the time being the Chair will recognize the hon. member for Vancouver East.

POLLUTION

LOANS TO CANADIAN MUNICIPALITIES AND COMPANIES FOR PURCHASE OF ANTI-POLLUTION EQUIPMENT

Mr. Harold E. Winch (Vancouver East): May I direct a question to the Prime Minister. At approximately noon today members of the House of Commons received in their post office boxes a bulletin from the Export Development Corporation announcing the signing of an agreement between the corporation and the Socialist Republic of Roumania concerning the purchase by that country of pollution control equipment. Eighty per cent of the sale price of this equipment will be guaranteed by Canada. Is it the intention of the government to grant to municipalities, industry and private enterprise generally in Canada the benefits of a similar 80 per cent loan in connection with the purchase of their pollution control equipment?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Those are the facts indeed. The contract referred to was signed yesterday, and we are delighted with it. As to offering similar terms to Canadian industry, let me say there are already some advantages extended to Canadian companies under present taxation regulations in connection with the purchase of anti-pollution equipment.

Mr. Winch: Will the minister inform us whether or not he intends to consider granting similar loans of 80 per cent to industry in Canada, as is being done for other countries purchasing pollution control equipment?

Mr. Pepin: I understand that concessions in this area were announced in the last budget presented by the Minister of Finance, and that the cost of these facilities may be written off over two years.

An hon. Member: It is not in force yet.

BILINGUALISM AND BICULTURALISM

POLICY FOLLOWING FOURTH REPORT OF COMMISSION

Mr. G. W. Baldwin (Peace River): In the absence of the Secretary of State I will

address this question to the Acting Secretary of State or to the Prime Minister. When does the government intend to announce its policy with regard to the recommendations contained in the fourth volume of the report of the Commission on Bilingualism and Biculturalism tabled yesterday?

Right Hon. P. E. Trudeau (Prime Minister): Probably after we have announced our policy with regard to volume three.

Some hon. Members: Oh, oh!

Mr. Baldwin: I see I had better direct my supplementary question to the Acting Secretary of State. In view of the statements made in volume four about the great contribution to cultural activities in this country made by ethnic groups other than French and English, will the Secretary of State review the present spending policy under which between $60 million and $70 million is provided in connection with bilingualism and biculturalism compared with a paltry few thousand dollars to advance the cultural activities of other ethnic groups?

Hon. Robert Stanbury (Acting Secretary of State): That kind of review will be made, Mr. Speaker. I might say, though, that the expenditure to which the hon. member has referred in connection with the promotion of bilingualism applies to all Canadians and is for their benefit equally.

Mr. Baldwin: Would the hon. gentleman read again the estimates which provide for the expenditure of these moneys, amounting to between $60 million and $70 million He will find they refer to the French and English cultures. I am referring to the cultural activities of other ethnic groups.

Mr. Stanbury: Yes. And I was referring to the fact that the advantages of bilingualism, and the assistance extended to Canadians to learn one or both of the official languages are to the benefit of all Canadians.

POLLUTION

ALLOCATION OF FUNDS TO CLEAR UP CANADIAN SIDE OF GREAT LAKES

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of Energy, Mines and Resources. It arises out of the commitment by President Nixon yesterday to devote approximately $70 million of federal funds to cleaning up the United States side of the Great Lakes. Does the government of Canada intend to commit federal funds to cleaning up the Canadian side?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The situation on the Canadian side is not identical to that on the United States side where there is a heavier population and more intensified industry which has been operating over a longer period of time. The pollution problem there is probably more grievous. We have meetings arranged for the 24th of this month, I believe, with the Assistant Secretary of the Interior for water to discuss our mutual concern in connection with boundary waters. I believe that through such consultations we can achieve co-ordination of the efforts on both sides.

Mr. Aiken: I take it the answer to my question is no. Would the minister agree that as a result of the introduction of amendments to the Fisheries Act, the introduction of the Northern Inland Waters Act, and the absence of any federal commitment under the Canada Water Act, the Canada Water Act is now obsolete even before it has been passed?

Mr. Speaker: Order. The hon. member will recognize that his question is argumentative. Perhaps he would like to rephrase the question, if he has a supplementary to ask. For the moment the Chair recognizes the hon. member for Simcoe North.

AIR—ESTABLISHMENT OF NATIONAL SCIENTIFIC CENTRE

Mr. P. B. Rynard (Simcoe North): My question is directed to the Minister of National Health and Welfare. In view of the serious menace of air pollution, which outstanding authorities estimate is contributing to 50 per cent of all illness, and the fact that there is no centre of scientific knowledge in Canada which could direct any attack on pollution, I should like to ask the minister whether he has any plans to set up such a national centre to combat air pollution?

Hon. John C. Munro (Minister of National Health and Welfare): I do not believe the premise of the hon. member's question to be correct. We have set up in the Department of National Health and Welfare an air pollution division with an expanded staff to undertake the type of program and research to which the hon. member has referred.

Inquiries of the Ministry

Mr. Rynard: I want to refer to what Dr. Solandt before the committee—

Mr. Speaker: Order. I do not want to interrupt the hon. member, but perhaps he would ask a supplementary question rather than refer to what has been said by the gentleman he has just mentioned.

Mr. Rynard: Thank you, Mr. Speaker. Would the minister take into consideration the statement made by Dr. Solandt, an outstanding scientist, that there is no such centre?

Mr. Munro: Yes, Mr. Speaker.

ESTABLISHMENT OF OVER-ALL ENVIRONMENTAL COUNCIL

Mr. Len Marchand (Kamloops-Cariboo): I should like to direct my question to the Prime Minister. Will he give consideration to the setting up of an over-all environmental council to co-ordinate the fight against all pollution of our environment?

Right Hon. P. E. Trudeau (Prime Minister): I thank the hon. member for that very constructive suggestion and I will take it into consideration.

DEATH OR ILLNESS ATTRIBUTABLE TO PRESENCE OF MERCURY IN FISH

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct a supplementary question to the Minister of National Health and Welfare. In view of the fact that mercury, to an extent much above the point of human toleration, has been found to be present in fish that have been used for food for several months, and perhaps for several years, has the Department of National Health and Welfare any record of illness or death in Canada being attributed to mercury poisoning?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, not to my knowledge. We work very closely on this matter with the Department of Fisheries, and if our inspectors find any fish that have any parts per million above permissible tolerances we communicate with fisheries and confiscate the fish in question.

MERCURY—WATER QUALITY STANDARDS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a related or a supplementary question that I should like to address to the Minister of Energy, Mines and Resources. My question is supplementary to the one just asked as well as supplementary to the one asked by the hon. member for Parry Sound-Muskoka.

In view of the potential danger that mercury threatens to our entire environment and the knowledge of such danger since the Japanese poisonings of 1950, is the government now planning to include mercury on its list of water quality standards?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the question of mercury pollution and its control at the federal level comes very largely under the department of my colleague the Minister of Fisheries. I do not believe that there is in contemplation an amendment to the Canada Water Act to include minerals such as mercury, as I believe these can be controlled effectively under the Fisheries Act. However, my colleague the Minister of Fisheries may want to add to my answer.

HOUSING

ACCELERATION OF HOUSE STARTS TO RELIEVE UNEMPLOYMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct my question to the Minister without Portfolio in charge of housing. In view of the large number of unemployed and the very drastic reduction in unemployment that could be effected by an aggressive housing program, and in view of the sharp drop in housing starts, is the minister giving consideration to accelerating the program of new housing starts?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there is no doubt that there will be an increased program of housing starts emanating from the application of the funds in the Central Mortgage and Housing Corporation budget. The effect of these funds on housing starts statistics has not yet been felt, but in light of the rate of approvals now being made I think this will be noticed to be quite significant over the next two or three months. With regard to the flow of mortgage money from the private sector, we are having continuing consultation with my colleague the Minister of Finance.

Mr. Orlikow: A supplementary question, Mr. Speaker. Has the minister any plans to accelerate the building of housing in the private sector, since housing starts are down by

50 per cent or more compared with the same period last year?

Mr. Andras: Mr. Speaker, I do not think I can comment any further or add to my previous answer.

REVIEW OF CEILING ON LOANS FOR STUDENT ACCOMMODATION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a supplementary question for the Minister without Portfolio responsible for housing. In view of the fact that the reduced CMHC funds available for student housing this year will cover only the shortfall or deficit in student housing requirements last year, is it the intention of the government to review the new ceiling of $45 million which it established for student housing construction for 1970? I ask this question, Mr. Speaker, because the present ceiling on funds is restricting university enrolment plans and is about to force students to compete against those who would normally qualify—

Mr. Speaker: Order, please.

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we did review this matter very carefully and it was with considerable regret that we found we were unable to provide more funds for student housing. Our decision was based on the fact that in comparison to low-income housing in other sectors of the market we had provided quite a sizeable proportion of our funds for student housing and had to make the hard choice of meeting priorities within an increased, but still restricted, budget.

Mr. Mazankowski: A further supplementary question. In view of the minister's answer, is it the intention of the government to develop, in co-operation with the universities, a long-term student housing policy?

Mr. Andras: Mr. Speaker, there is a special study going on with regard to student housing and future requirements for student housing. This study is being undertaken in conjunction and in co-operation with some universities.

URBAN AFFAIRS

STUDY OF PROBLEMS—ESTABLISHMENT OF STANDING COMMITTEE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a question for the Minister without Portfolio in charge of housing. In view of the fact that housing involves the whole question of urban affairs, can the minister advise whether he has yet received the study on urban problems, with a view to making recommendations with respect to a national policy for our cities?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, that whole matter is under very active consideration by myself and my colleagues.

Mr. Alexander: A further supplementary question. In view of the minister's answer would he consider once the report is in his hands, placing the recommendations that come from the cabinet in a white paper so it can be studied by a standing committee on urban affairs?

Mr. Andras: Mr. Speaker, we are considering all kinds of options for making the information available to the House, to our colleagues in other governments and to the country at large.

SOCIAL SECURITY

INQUIRY AS TO TABLING OF WHITE PAPER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the fact that action in so many fields, including old age pensions and veterans pensions and allowances, depends upon the appearance of the government's white paper on social security, can the minister say whether the writing of this paper has yet been completed?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Will the minister use his good offices to expedite this work so that we can soon have this paper, which was promised last October in the Throne Speech?

Mr. Munro: I can only advise the hon. member that the government's position has not changed. As formerly stated, we expect to have the white paper before Parliament prior to the end of this session.

POST OFFICE

MONTREAL POSTAL DISPUTE—HIRING OF TRUCK DRIVERS—PROTECTION AGAINST VIOLENCE

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the

Inquiries of the Ministry

Minister of Communications. Now that the April 15 deadline has passed, would the minister tell the House whether the post office is taking on truck drivers in accordance with the Goldenberg report, and also whether anything is being done to protect the truckers from violence?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, we have always done the best we could to provide adequate security in this special situation. Today is April 16, and since the union has refused to abide by the recommendations of the Goldenberg report and the government's very generous proposals, we are in fact proceeding to implement the program of reorganization that we have in Montreal.

VETERANS AFFAIRS

IMPLEMENTATION OF WHITE PAPER PROPOSALS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. Would he kindly advise the House whether, despite the widespread criticisms of the government's white paper on veterans affairs by the national veterans associations, it is now the decision of the government to proceed essentially with the proposals contained in that white paper?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, first of all I should state that the white paper was extremely well received by most of the veterans associations. They appeared 19 times before the House of Commons Standing Committee on Veterans Affairs in order to improve some of the aspects of the white paper. I hope that soon this committee will produce its recommendations, and it will then be the task of the government to consider these recommendations.

Mr. Lambert (Edmonton West): A supplementary question. Would the minister kindly tell the House whether the testimony of the deputy minister on April 7 represented the decision of the government?

Mr. Speaker: Order, please. The hon. member will recognize that there are procedural difficulties about the question as asked.

Mr. Lambert (Edmonton West): Then, Mr. Speaker, I will rephrase it, if I may. Am I right in saying that the government has already arrived at this decision, as expressed by its representatives?

[Mr. Allmand.]

Mr. Dubé: Mr. Speaker, those who were present at the committee this morning had the answer from the minister.

TAXATION

SUGGESTED WITHDRAWAL OF WHITE PAPER ON REFORM

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question which is a related one in the sense that it also concerns a white paper. Would the Prime Minister now agree to withdraw the white paper on tax reform in view of the fact that at this time in our industrial development as a nation we have large unemployment and the government's proposals are frightening away that investment and development which would create projects that would provide employment for those out of work?

Right Hon. P. E. Trudeau (Prime Minister): I thank the hon. member for the suggestion, Mr. Speaker.

WHITE PAPER ON REFORM—ACTION OF SIMPSONS-SEARS IN HAVING EMPLOYEES SIGN FORM LETTERS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my supplementary question would be directed to the Minister of Finance if he were here, but perhaps I could direct it to the Prime Minister. Is the Prime Minister aware that Simpsons-Sears Limited of Toronto is preparing form letters opposing the white paper on taxation and seeking to have their employees sign such letters which the company will then forward to Members of Parliament? If he is aware of this, will he make some statement discouraging such action which is not likely to elicit a fair view from the people concerned?

Mr. Speaker: Order. The hon. member for Prince Edward-Hastings.

INQUIRY OF THE MINISTRY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. Is the prolonged holiday in the south, on which the Prime Minister sent the Minister of Labour, the Prime Minister's plan for trying to plaster over the split in the cabinet which occurred due to the postal strike in Montreal, and when will the Postmaster General be allowed—

Mr. Speaker: Order, please.

Mr. Hees: Mr. Speaker, just for information I ask the question.

Mr. Speaker: Order. The hon. member for Frontenac-Lennox and Addington.

PUBLIC WORKS

BATH-MILLHAVEN PRISON—INDEPENDENT BUILDING INSPECTION REPORT

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, my question is for the Minister of Public Works. Has he authorized an inspection and does he now have a report made by an independent expert building inspector pertaining to the Bath-Millhaven maximum security prison contract?

Mr. Speaker: It seems to me this is the type of question which could be considered at the time of adjournment. If there is extreme urgency, the minister might like to reply briefly.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, there is a motion for production of papers on this very point in the name of the hon. gentleman.

Mr. Alkenbrack: When may we expect the report, Mr. Speaker?

NATIONAL DEFENCE

ESTABLISHMENT OF ARCTIC COMMAND POST —FACILITIES AT CHURCHILL

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of National Defence but because of his absence I shall direct it to the acting minister. In view of the government's announced intention to establish a military headquarters or base in northern Canada, could the minister assure the House that the very adequate facilities which now exist at Fort Churchill will be fully assessed and fully considered before the final decision is made?

Mr. Speaker: The hon. member is making a representation which he must assume will be considered.

AGRICULTURE

FARM PRODUCTS MARKETING AGENCIES—DELAY OF LEGISLATION PENDING STUDY OF TASK FORCE REPORT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture. Did the minister receive a telegram today from the board of governors of the Winnipeg Grain Exchange urgently requesting that final consideration of Bill C-197 be held in abeyance until the final report of the agricultural task force is released and studied by the Standing Committee on Agriculture and the general public in order to provide and opportunity to relate all mutually relevant proposals? What was the minister's answer to this very important request?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I do not recall receiving it today. However, I shall inquire of my office. If it has been received I have not answered it. I should like to advise, however, that the report of the task force on agriculture will probably be available long before that bill has passed all stages and particularly the stage where it goes through the Standing Committee on Agriculture.

CANADIAN SOVEREIGNTY

ARCTIC POLLUTION, TERRITORIAL SEA LIMITS —TABLING OF U.S. NOTE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Secretry of State for External Affairs if he is now in a position to say whether he will be tabling the note of protest from the United States in connection with Bill C-202 and Bill C-203. I ask this question, of course, in view of my understanding that we will be debating one of these bills this afternoon.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, today we replied to the note from the United States and raised with that government the question of whether it would have any objection to tabling. I have not yet had a reply. In any event I hope we will proceed with our discussion of this legislation not in the light of United States objections but in the light of Canadian interests.

Mr. Hees: What courage is that?

Mr. Stanfield: Mr. Speaker, I asked the Secretary of State for External Affairs a simple, straightforward question.

Some hon. Members: Oh, oh!

Mr. Stanfield: It is a matter of opinion, but I suggest in all seriousness that if the Prime Minister of this country and the Secretary of State for External Affairs, sir, wish the business of the House to be conducted in an orderly way—

Some hon. Members: Order!

Mr. Speaker: Order, please. I apologize to the Leader of the Opposition. I will allow him to ask a supplementary question, but I do not think we should anticipate the debate which will be taking place later this afternoon. This having been said, the Leader of the Opposition has the floor for a supplementary.

Mr. Stanfield: On a point of order, Mr. Speaker, I will always seek to co-operate with you, but I simply want to say very bluntly that with the kind of answers the Prime Minister has been giving and which the Secretary of State for External Affairs just gave it will be very difficult to proceed with the business of this House in an orderly way.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

PUBLIC WORKS

SASKATCHEWAN—REQUEST FOR INCREASE IN PROJECTS TO IMPROVE ECONOMIC CONDITIONS

Mr. John Burton (Regina East): Mr. Speaker, my question is for the Prime Minister. In view of the report by the Department of Manpower which notes that one of the reasons for increasing unemployment and migration of people from Saskatchewan is the decrease in public works spending, would the Prime Minister undertake to request the Minister of Public Works to take steps to increase public works projects in Saskatchewan in view of economic conditions there?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Public Works has already raised this point with me and we are discussing this eventuality.

Mr. Speaker: Hon. members will have noticed that the question period expired a few minutes ago. Perhaps we might have two supplementaries, one from the hon. member for Gander-Twillingate.

Mr. Lundrigan: Mr. Speaker, in co-operation with you, sir, and due to the fact that the Prime Minister is not well prepared today I will wait until tomorrow.

Mr. Speaker: Orders of the day. Order, please. Is the hon. member for York South rising on a point of order?

Mr. Lewis: Mr. Speaker, I was going to ask Your Honour to permit me to ask a question

[Mr. Stanfield.]

supplementary to the question asked by the Leader of the Opposition with regard to the tabling of notes. It is a very brief question.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

CANADIAN SOVEREIGNTY

ARCTIC POLLUTION, TERRITORIAL SEA LIMITS —PRESS RELEASE ON CANADIAN NOTE

Mr. David Lewis (York South): Mr. Speaker, I should like to ask the Secretary of State for External Affairs, in view of the fact that he is not in a position to table the notes passed between the governments of Canada and the United States, whether he has issued any kind of press release or communiqué about the reply Canada has sent to the United States administration and, if so, could he table a copy of that communiqué?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as I said in reply to the Leader of the Opposition, we replied to the United States note this morning and at the same time asked the United States government, in light of the discussion we had here in the House of Commons yesterday, whether they would reconsider the question of publication and they promised an answer within a few hours. I do not think it would be advisable for me to issue any summary of what I said in my reply to the United States note until I ascertain definitely whether the United States government will agree to the publication of both.

Mr. Speaker: Orders of the day. Order, please. The President of the Privy Council on a point of order.

Mr. Macdonald (Rosedale): I rise on a point of order, Mr. Speaker. Yesterday during the question period several members of the opposition suggested that the Secretary of State for External Affairs might be permitted to follow immediately after the Minister of Indian Affairs and Northern Development in the debate, they being the two ministers responsible, so that the whole government viewpoint could be before the House before opposition speakers respond. If the House would like to follow that procedure my colleagues would be prepared to co-operate in this way. Mr. Speaker, I wonder whether you would determine the view of the House on this point.

Mr. Baldwin: Mr. Speaker, the Secretary of state for External Affairs, without the telegram and the statement from the United States and without his reply, has nothing too much to contribute until that time and we will wait.

Mr. Speaker: Orders of the day.

• (3:00 p.m.)

GOVERNMENT ORDERS

ARCTIC WATERS POLLUTION PREVENTION BILL

PROVISIONS RESPECTING DEPOSIT OF WASTE; PLANS AND SPECIFICATIONS OF WORKS, SHIPPING SAFETY CONTROL ZONES, ETC.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved that Bill C-202, to prevent pollution of the areas of the arctic waters adjacent to the mainland and islands of the Canadian Arctic be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

He said:

[*Translation*]

Mr. Speaker, the Bill which we are considering today, concerning an Act to prevent pollution of the Arctic waters is one of the most important pieces of legislation this government has introduced in the House.

As the Prime Minister (Mr. Trudeau) stated in the House last October 24, Canada has four primary interests in the Arctic: the security of Canada, the economic development of the North, the preservation of the ecological balance, and the continued high stature of Canada in the international community.

Mr. Speaker, This bill, together with the Territorial Sea and Fishing Zones bill, is designed to further these interests for Canada. As such, it is a continuation of past policies of successive Canadian governments to assert Canadian interests north of the 60th parallel —for the native people who live there.

[*English*]

Mr. Woolliams: Mr. Speaker, I realize the minister is speaking on a difficult subject but I wonder if he would read more slowly from this lectern which is being used for the first time in the House.

Mr. Speaker: I must say I have some reservations about the new procedure or innovation, a very good word suggested to me by the hon. member. I am not sure whether we should get ourselves involved in a situation where members who want to make statements will be bringing in lecterns. I have some reservations. I realize that in some circumstances, for example the budget address, it is customary for the Minister of Finance (Mr. Benson) to bring in something which resembles a podium.

Mr. Baldwin: Or something which resembles a budget.

Mr. Speaker: There is nothing in the rules which says that a member cannot use this kind of material assistance to deliver his speech. In fact, many of us have used an accumulation of *Hansards* as a prop for the speeches which are being made to the House. I have some doubts as to whether we should extend this practice, as is being done now by the minister. It might be better if we did not.

Mr. Diefenbaker: Mr. Speaker, I am sure that no member would raise objections to what is being done. The minister has before him a platform, a pulpit as it were. I have seen members who have piled up *Hansards* by way of support, and I am sure the House would not want to prevent the minister from trying out the method he is adopting.

Mr. Chrétien: Mr. Speaker, I appreciate very much the remarks made by the right hon. member for Prince Albert, but I will not break tradition today and I will hold my extensive notes in my hand.

Mr. Baldwin: The Prime Minister (Mr. Trudeau) breaks it every day.

[*Translation*]

Mr. Chrétien: Also for the untapped wealth we seek to discover for the benefit of all Canadians, for the natural quality of the land and water which covers over 40 per cent of the territory of our country.

Mr. Speaker, Canadians have reason to be proud of northern Canada. I think it fair to say that for too long we have neglected the North. Today we pay the price for some of that neglect. But since the 1950's, successive Canadian governments have accepted their responsibilities, and have developed our interest in Canada's newest and most promising frontier.

While the North is not without its problems, we can be thankful that men of foresight came before us. Let us hope that in

twenty years time men will say that we, in this House, at this time, acted with the same spirit of realism and foresight as did those who came before us.

This is what the government is trying to do with the Arctic Waters Pollution Act—to act with realism and foresight, to seize upon the opportunities new technology is bringing to the North, and to control the use of this new technology so that it brings benefits, not disaster.

This government is deeply concerned with the problem of environmental protection. Steps have already been taken to protect water quality through the Canada Waters Act and the Northern Inland Waters Act, that have been introduced during the current session. Other measures are about to be taken or are being planned in such fields as air pollution, fisheries, and offshore shipping south of the 60th parallel.

I plan soon to recommend to the government legislation for the control and use of northern lands. I am sure hon. members will appreciate the need, in response to the quickening pulse of northern development, to ensure that this very development does not leave behind it a trail of unsightly scars which may spoil the northern landscape for years to come.

The Arctic Waters Pollution bill is a further important expression of this government's concern for environmental quality in the country in general, and in northern Canada in particular. It is further evidence that Canada is prepared to meet its responsibilities in maintaining and developing the Canadian Arctic.

During the past two or three years we have seen throughout the world instances of massive pollution disasters, which have created public awareness of the problem. The *Torrey Canyon* off the Coast of the United Kingdom; Santa Barbara, California, the tanker *Arrow* in Chedabucto Bay, have all shown the damage that can be done and have underlined the inadequacies of present law. There is no doubt about the threat. There is no doubt about the damage that can be done.

• (3:10 p.m.)

Now, as the economic pressure of resource development in the North increases in speed and scope, the need for environmental protective measures takes on a new sense of urgency.

Northern Canada is on the brink significant developments in the fields of mining and oil and in the transportation of these resources to world markets. The Government is participating in and encouraging these developments through the Panartic Oils Ltd., and it is stimulating it through important assistance programs in favour of private enterprise.

Canadians have been excited by the break through in transportation made by the S.S. *Manhattan* and the ice-breaker *Sir John A. Macdonald* in opening up the Northwest Passage. This new technology of Arctic shipping will provide Canada and other nations with great opportunities. The government welcomes these developments. The government wants Canadian Arctic waters to be opened up to commercial shipping.

The effect of this new legislation would be to make clear that the Northwest Passage is to be opened for the passage of shipping of all nations subject to the necessary conditions required to protect the delicate ecological balance of the Canadian Arctic.

This bill clearly demonstrates to the international community the basis on which Canada, as a coastal state, with its unique responsibilities for protecting the northern environment, will welcome international use of its waters. Investors in Canada's North will now know the rules of the game regarding sea transportation, and I am confident, Mr. Speaker, that this bill will encourage commercial shipping in the North and the development of our last frontier.

[*English*]

We are moving, by this bill, to prevent pollution of Canada's northern coast, and the government will be dealing with pollution legislation applying to the east and west coasts at an early date.

There are two reasons for separate pieces of legislation. First, the true Arctic is unique. It has a fragile ecology, meaning that the environment can easily be spoiled and that it may never fully recover from any severe violation of nature. Many Eskimo people in the region still are wholly or partially dependent on wildlife on the land, and on the fish of the sea for their existence.

The second reason relates to the fact that measures required to control pollution offshore from the east and west coasts in some respects must be far more complicated since shipping routes, regulations and patterns have developed, and land use and habitation have become established. It is the intent of my colleague, the Minister of Transport (Mr. Jamieson), to develop appropriate measures

as fast as possible to deal with this situation off the east and west coasts of Canada.

Maritime law is evolving, but more slowly than we would wish in Canada. For centuries emphasis has been placed on the right of shipping to the use of the world's sea lanes without any regard to the effect that this might have on adjacent coastal states. While this may have been practical before, now when millions of barrels of oil are afloat in tankers on the high seas on any given day the threat of pollution is real, and the interests of coastal states, as opposed to nations that have large commercial fleets, must be recognized. A state, and particularly those offering flags of convenience, cannot expect in the world community to continue these activities without regard to the interests of other nations.

At the World Shipping Conference in Brussels last year it was obvious that these states continue to expect to have absolute priorities for their particular requirements. It became clear to the government of Canada that unilateral action would have to be taken at this time if Canada was to protect its own urgent interests. That is why Canada is extending its jurisdiction for pollution control purposes 100 miles from its coast line in the case of commercial shipping, and more than that in the case of commercial exploitation of the continental shelf, where our environment may be threatened. It is doing this on the basis of its right and responsibility to protect the Canadian environment, both in its seas and on its shores, from real threats of pollution.

But let it be clear that we stand ready at any time to co-operate with the world community in the development of a regime for the prevention of pollution and the protection of the environment, particularly along the coastlines of the world. Canada, therefore, has decided to lead the way and to show by example what can and should be done.

Some hon. Members: Hear, hear.

Mr. Chrétien: We will, however, continue to participate in all efforts to bring about effective pollution control regimes acceptable to all nations. I believe that both at home and abroad this bill will be viewed in its proper light as a legitimate and necessary extension of Canada's jurisdiction off-shore in an area which is of direct and unique concern to Canada alone.

I should now like to turn to some of the main aspects of the bill itself. The thrust of the bill is directed towards the prevention of pollution of Canadian Arctic waters. It deals with pollution arising from shipping, from land based installations, and from commercial activities such as oil drilling carried out on the continental shelf.

The bill prohibits, under prescribed penalties, the deposit of waste in Arctic waters, or on the islands or mainland under conditions where it may enter these waters. The definition of waste is comprehensive and covers any substances which would degrade or alter the Arctic waters to an extent detrimental to their use by man, or by any animals, fish or plant that are useful to man. This definition, and the provision in the bill for regulations to prescribe the type and quantity of waste that may be deposited, are similar to those provided in the Canada water bill and the Northern inland waters bill.

The legislation regarding shipping will effectively be brought into force by the prescription of safety control zones by regulation of the Governor in Council. Within a shipping safety control zone ships will be required to comply with technical requirements relating to hull structure, navigational aids, qualifications of personnel, and time and route of passage. Ships not meeting these requirements will not be permitted to enter the safety control zone. At certain times of the year, or when certain ice conditions prevail, ships maybe barred from entering the zone.

Some ships may already meet most of the required standards. The bill provides that where such a ship wishes to enter the safety control zone a certificate may be issued in advance evidencing compliance with the standards prescribed. Ships owned or operated by a sovereign power other than Canada may be exempted from application of the regulations provided the Governor in Council is satisfied that these ships comply with standards substantially equivalent to those prescribed by Canadian regulations and that all reasonable precautions will be taken to reduce the deposit of waste.

Emphasizing again the preventive aspects of this legislation, the bill provides for pollution prevention officers who will be given power to enter any land based operation undergoing construction, alteration or extension, that may result in the deposit of waste in the Arctic waters, to determine whether adequate standards are being complied with. The Governor in Council may issue instructions requiring any necessary modifications to the work, or may prohibit the work entirely.

The pollution prevention officer will perform similar functions with respect to commercial operations carried out on the continental shelf, and will also have the authority both to board a ship within a safety control zone for inspection purposes, or to order a ship in or near the safety control zone to remain outside it if he suspects that the ship does not comply with the standards applicable within the zone.

All of these provisions are designed to prevent the possibility of pollution occurring. We recognize, however, that in spite of all the careful preventive measure that may and will be taken under this legislation, there still remains the danger of serious pollution resulting from accidents or other unforeseen cause. The bill therefore provides for civil liability resulting from the deposit of waste by persons engaged in exploring, developing or exploiting the natural resources on the land adjacent to the Arctic waters or on the continental shelf, or by persons carrying on any undertaking on the mainland or islands of the Canadian Arctic or on Arctic waters, or by owners of ships navigating in Arctic waters, or owners of cargo on any such ships. This liability is absolute and does not depend on proof of fault or negligence. The bill also sets out procedures for recovering in Canadian courts.

• (3:20 p.m.)

The bill provides that the Governor in Council may require evidence of financial responsibility to be provided by these persons and it is intended that this evidence should be adequate to cover the costs of clean-up and damage resulting from any pollution. Recognizing, however, that we are as yet not able to ascertain the full extent of possible damage, the bill makes provision for regulations providing for the limitation of liability of these persons so that commercial activity shall not be unduly inhibited by unrealistic forecasts of possible damage.

In closing, I should like to pay tribute to the members of the Standing Committee on Indian Affairs and Northern Development, whose report to the House on December 16 last year underlined the importance of this legislation. Mr. Speaker, with this legislation we are pioneers on the frontier of international law. This legislation goes beyond any previous action by the Canadian government for the control of pollution and is in advance of any action by the international community.

[Mr. Chrétien.]

Although we have taken this action unilaterally, we stand ready at all times to enter into international agreement which will provide for control over the dangers of pollution. Until this occurs, however, we must and will act now to protect the ecology of the north. This bill is evidence of our determination in this regard. I would ask that all members of the House give the Arctic waters pollution prevention bill full and firm support.

Mr. Speaker: Order, please. I believe the hon. member for Oxford has a question.

Mr. Nesbitt: Thank you, Mr. Speaker. I have a question for the hon. Minister who has concluded his remarks. Would the minister undertake to use his good offices, when this bill goes before a committee, to supply witnesses who can answer questions particularly concerning the ecology of the north so that we can find out exactly what kind of pollution dangers may be envisaged by the minister?

Mr. Chrétien: Mr. Speaker, I think this is quite a valid question and the government will be ready to make everything available to the committee. For example, there are people within the government who know a lot about it and we will be willing to provide the names of those experts. I know there are a lot of people in Canada who will be interested in making a contribution, in view of the importance of the ecological balance in the north, and who will be very happy to testify. However, as I understand the rules of this House it is up to the committee to decide which people they want to call. We will do everything we can to collaborate to that end.

Mr. Speaker: Is the hon. member for Comox-Alberni asking a question?

Mr. Barnett: I should like to address a question to the minister before he concludes his remarks, Mr. Speaker. I should like to ask the minister whether at this stage he could make available to members of the House a map or a chart, something which would define for us visually the verbal description of the area involved. I wonder whether that might be available in a form which could be included in today's *Hansard* as an appendix so that the people of Canada could have a visual representation of the area involved.

Some hon. Members: Hear, hear.

Mr. Chrétien: Mr. Speaker, I think that these things could be dealt with in committee.

I have no maps with me. The pollution zone will be defined later on by order in council. We cannot now table maps of these zones because we are not ready as yet to do so. This legislation gives the power needed by the government to define these protection zones where there is danger of pollution but they are not embodied in the legislation. The legislation covers the area above the 60th parallel where we will have the power to define the zones.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I think it is very important that the Canadian people not be misled by what is proposed in Bills C-202 and C-203 which must be taken together although, of course, I understand that we are discussing Bill C-202 this afternoon. The government has pretended to assert a strong claim to sovereignty and has made a dramatic withdrawal from the jurisdiction of international courts. Canadians should not be misled about what, in fact, is proposed.

These two bills have to be considered together. They are a package. I suggest that, by introducing them, the government does not expand our claim to sovereignty; it reduces it.

Some hon. Members: Hear, hear.

Mr. Stanfield: These bills together are but a half-measure and indicate the government has abandoned Canada's claim to sovereignty in certain critical parts of the Arctic. I am afraid that the weak and limited nature of the claim to sovereignty of this government will haunt other Canadian governments for years, and probably forever.

Some hon. Members: Hear, hear.

Mr. Stanfield: In so far as pollution control is concerned, of course we support the bill and I am sure the people of Canada support it. But let it be clear that there are two separate questions here, pollution control on the one hand and Canadian sovereignty on the other. While we in this party welcome and support any effective action to prevent pollution of our north, even at this late date, we cannot let the government get away with the claim that it is, at the same time, serving Canada's interests in asserting sovereignty.

As the minister has explained, Mr. Speaker, Bill C-202 defines the jurisdiction that the government of Canada proposes to exercise in order to control the pollution of a zone that is defined in the bill. The Prime Minister (Mr. Trudeau) has emphasized that this is an exercise of extraterritorial jurisdiction rather than a claim to sovereignty.

On the other hand, Bill C-203 which was introduced at the same time, purports to redefine our territorial waters from three miles to 12 miles from a baseline as defined in the bill. In other words, Bill C-203 constitutes an assertion of sovereignty with regard to this redefinition of our territorial waters. But it is very clear from Bill C-203 that the government is not asking the Parliament of Canada to assert sovereignty over any waters beyond the 12-mile limit that is proposed. Indeed, sir, in the circumstances, it is clear in the context not only does Bill C-203 not involve an assertion of any sovereignty beyond the 12-mile limit, but by implication at least involves the abandonment of any claim to sovereignty in waters beyond the 12-mile limit. These are waters that we have claimed. We can all agree very readily that the 12-mile limit will not include all the water between the Arctic Islands or all the water between the Arctic Islands and the mainland and, therefore, if Bill C-203 is passed in its present form, there will be substantial blocks of water over which Canada has, by implication at least, abandoned any claim to sovereignty. These are waters over which this country has been claiming sovereignty.

• (3:30 p.m.)

The Prime Minister raised doubts a year ago about our claims to these waters, or some of these waters. I say in all frankness and bluntness that, although he raised certain claims a year ago, he now is presenting bills through his ministers which amount to an abandonment of these claims. We have asked questions of the Prime Minister before as to what waters Canada was claiming. He has told us in the House that we would have to wait to see the legislation which would define the claims that Canada is making. We have now received this legislation and can see that the waters over which Canada is claiming sovereignty fall far short of the waters over which the people of Canada and their governments were claiming sovereignty and far short of the waters over which the Standing Committee on Indian Affairs and Northern Development has urged the government to assert sovereignty. I suggest that in these circumstances the remark of the Secretary of State for External Affairs (Mr. Sharp) that he hoped we would look after the interests of Canada in this debate were far out of place.

Mr. Sharp: But well justified.

Mr. Stanfield: Bill C-202 is designed to exercise control of pollution in Arctic waters. This, of course, is a very urgent problem. I think we have been lucky. We were lucky with regard to the first voyage of the *Manhattan*, because the ship entered our Arctic waters subject to no regulations of ours with regard to anti-pollution matters. It suffered damage; yet, fortunately, the north apparently incurred no pollution damage as a result thereof. We were lucky.

If we are to believe many scientific experts, time is running out for the people of this earth. Everything possible must be done to halt the pollution menace facing mankind. For this reason, I cannot quarrel with any anti-pollution measure adopted with regard to the Canadian Arctic, unless it be on the grounds that it is not enough or, for some reason, cannot be enforced. I say now that the government proposal to declare a pollution zone in the Arctic may not have the teeth to effectively ensure pollution control in this delicate environment. Canada has already been exposed to endless danger by the government that has, at the least, been extremely haphazard in its approach to this pollution menace.

Scientists have long been warning us of the danger of pollution—pollution of the land, air and water—and serious doubts are being expressed as to our very future unless we show some respect for nature and the environment in which we have been given the privilege of life. The risk of a *Torrey Canyon* disaster hangs over us all, and the best insurance policy in the world would not and could not compensate for the damage to our environment if anything of that magnitude were to take place in the north, as the minister indicated to us this afternoon. A disaster of that proportion would upset the delicate balance of nature in the Arctic and might lead to a complete ecological breakdown. It could reach out to every man, woman and child on this earth. So, we feel that not only are we defending Canada's interests when we fight pollution in the north, but that we are serving in a very real sense the interests of the world.

Pollution control is urgent but it is important also to Canada that we maintain our claim to the sovereignty of the waters between the islands and that we do not abandon that claim. The two bills taken together, Mr. Speaker, will have a very profound effect upon Canada's position in the north for all time. We cannot foresee now, in any precise way, the manner in which the north may be developed. I think it is fair to say that even the best informed people can only visualize this now in a rather dim way.

We thought that the waters between the islands, the sovereignty over which this government is abandoning, were our waters, Mr. Speaker. The Prime Minister has said that there is a lot of sentiment about the north; nevertheless, I suggest that it is not for the Prime Minister or any minister of the government to abandon what Canadians have regarded as theirs simply because the Prime Minister or other ministers cannot see that there is any particularly useful purpose in maintaining the claim of Canadian jurisdiction over these waters. Instead of asserting in a clear fashion the Canadian claim of jurisdiction over the waters between the islands and also the waters around the islands through use of the base line technique, which all Canadians expect their government to do, the government of Canada has introduced these two bills which, taken together, imply the abandonment of our assertion of sovereignty over much of the waters that we regarded as ours.

As to pollution control and the bill specifically before us this afternoon, it is clear of course that we are accepting a large responsibility. I hope that the Secretary of State for External Affairs will perhaps give us a little more information as to why the figure of 100 miles was selected, instead of 125 miles or 150 miles, in connection with pollution control.

An hon. Member: That is a magic number.

Mr. Stanfield: We have accepted this responsibility. The government has decided that it cannot wait, that it cannot take the time to work toward an international agreement, and that we must accept this responsibility by ourselves. I can accept that point of view with regard to pollution control. I said, and I say again, that we are the only ones who are going to accept this responsibility. We are accepting it and we have decided to go it alone. We are exempting ourselves from the jurisdiction of the International Court. That will prevent our being interfered with by that court, but of course it will not in itself help us to enforce our laws with regard to the control of pollution.

Having accepted the responsibility of controlling pollution in this area, and I agree that we should accept the responsibility, we must

now make certain that we discharge this responsibility. Having accepted the responsibility, I and the hon. members of this House will expect this government to prepare itself to discharge its responsibilities and, incidentally, to tell us how it intends to enforce these measures it proposes.

An hon. Member: Through flower power.

Another hon. Member: Through Jamieson's navy.

• (3:40 p.m.)

Mr. Stanfield: When discussing the north, the Prime Minister suggested that we might make a claim to sovereignty. I suppose his remarks also applied to the question of jurisdiction. The Prime Minister said recognition could only be denied us in one of two ways, either taking us to the courts or taking us to war. I suppose the choice of weapon would be up to us. The Prime Minister has eliminated the possibility of being taken to court. Does this mean he was serious when he made those remarks? Does he expect we might be taken to war in the course of exercising this jurisdiction? Surely not, Mr. Speaker. Surely, this was a case of over-simplification when the Prime Minister put forward this view of the position of our country. I think we must regard it as one of his less sensible remarks.

The Secretary of State for External Affairs and the government owe this House and the people of Canada an explanation as to how Canada proposes to enforce these regulations which apply to areas beyond our territorial waters. This is what this government is asking Parliament to define. If we accept that responsibility, then we must carry it out. We must not fail, not only because we do not want to look silly but because we have accepted a heavy responsibility.

I believe the Canadian people will support these measures if they are enforced. However, they want to know how the government hopes to enforce them. Without taking any more time of the House this afternoon, while there will be many questions of detail with regard to the bill that can be examined in committee, I say without any reservation that I and my party support Bill C-202 in principle. We very earnestly support it as a measure to control the pollution of the north. However, we would like some information as to why this limit of 100 miles was chosen and we would like to know how the government proposes to enforce these regulations. While this party very heartily endorses the purpose of this bill, we and the people of Canada regret very much that in the process of placing these two bills before the House the government is redefining our territorial waters in such a way as to, in effect, abandon the Canadian claim of sovereignty of waters between the islands as well as some of the waters surrounding the islands. The abandonment of this claim will likely haunt governments for many years to come. It is very likely it will prejudice the permanent position of Canada in the north, a most regrettable situation.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, it is quite apparent that Bills C-202 and C-203 complement each other. Therefore, I think they must be considered together when the basic principles underlying this legislation are under discussion. I want to begin by congratulating this government on introducing this legislation. Any reservations we may have about some aspects of this question should not detract from our wholehearted endorsation of the legislation contained in these two bills. I go further and express the hope that we will have a recorded division on these bills. I think we should let the whole world know that on this question Canadians are united and unanimous in the support of exercising jurisdiction over pollution in the Arctic archipelago.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): I think this House should seize an early opportunity to make clear to our friends south of the border that we will not tolerate anyone pushing this government around. This is a privilege which we reserve for the opposition!

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): It would have been preferable if the government had made a forthright declaration of sovereignty over the Arctic rather than restricting itself to an assertion of jurisdiction to control pollution. I indicated in the House on January 22 on behalf of the NDP our wholehearted support of the statement which was unanimously endorsed by the Standing Committee on Indian Affairs and Northern Development in their report of Tuesday, September 16, 1969. They stated in that report:

> Your committee recommends that the government of Canada indicate to the world, without delay, that vessels, surface and submarine, passing through Canada's Arctic Archipelago are and shall be subject to the sovereign control and regulation of Canada.

Such a declaration by the government of Canada would have been preferable, but I do not consider that confining ourselves to a claim of jurisdiction for the purpose of controlling pollution prevents us in the future from making a forthright declaration of sovereignty. I hope the day will come when the current government will do just that.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): We regret that the government found it necessary to opt out from the jurisdiction of the International Court on this particular question. There are other methods which may have been used which I will discuss later in my remarks. These are just minor points. I want to make it abundantly clear that we are in complete accord on the main purposes of Bill C-202 and Bill C-203, because these bills set out two fundamental principles. First, there is a declaration of Canada's jurisdiction over the Arctic archipelago for the purpose of controlling pollution. Second, there is the assertion of Canada's sovereignty over its territorial waters, which are now to be extended to a limit of 12 nautical miles on base lines drawn from headland to headland.

I submit that this legislation is absolutely necessary in a modern technological age. Much is said about the law of the sea, but in many respects the law of the sea does not have the necessary provisions to deal with the problems that have arisen in a modern age. For example, the three-mile limit on territorial waters which was set in the sixteenth and seventeenth centuries represented the range which a canon could fire from a sailing vessel. New problems have arisen today that could not possibly have been envisaged in the sixteenth, seventeenth or eighteenth centuries. These new problems include such things as pollution from oil tankers, the possibility of exploiting the resources of the seabed and the discharge of wastes which not only can adversely affect the fishing industry and the coastal state in question, but also contaminate the shoreline.

• (3:50 p.m.)

Here are three new areas which are not dealt within international law as it affects the sea. The first is pollution. This affects Canada even more than it affects most coastal states because of our extended coastline. Hon. members will recall the trouble we had with the *Arrow* and the pollution it caused in Chedabucto Bay. This underlines the need to exercise authority over tankers and other vessels likely to cause pollution and contaminate our shoreline. Because of climatic conditions, the Arctic is particularly vulnerable to pollution. Anything which upsets the ecological balance in the Arctic will have disastrous consequences for marine life in that region. Moreover, pollution in the Arctic could drift southward, contaminating our eastern and western coastlines. Canada must deal with pollution whether there is provision in international law to take care of it, or not.

The second new situation which has arisen has to do with fishing rights. The three-mile territorial limit has proven inadequate to protect the fishing rights of coastal states. This was tackled by the Norwegians in 1951 when they extended the jurisdiction of their fishing rights by drawing baselines from headland to headland and extending their territorial seas 12 miles beyond. This action was upheld by the International Court in 1968 and finally incorporated in an international convention in the 1958 conference on the law of the sea.

In September, 1945, a proclamation was made by President Truman of the United States in which the United States unilaterally declared its right to regulate and control conservation in certain areas of the high seas where its nationals were fishing and to enter into agreements with others regarding conservation if they were also fishing in the same area. This declaration, which the United States enforced without any reference to international law, was accepted by the Geneva conference on the law of the sea in 1958.

The third area which is not covered by international law, but which is calling for action, has to do with the exploitation of the resources of the sea bed. It is only common sense to recognize that no coastal state can allow nationals from another state to drill for oil or exploit the resources of the sea bed to within three miles of the coastal state's shoreline. The United States itself recognized this fact in the Truman proclamation of September 28, 1945. In that proclamation, the United States unilaterally declared that it would exercise complete control over the resources of the continental shelf, which extends as far as 250 miles off the east coast and 50 miles off the west coast of the United States.

An hon. Member: Will you telephone Mackenzie King?

Mr. Douglas (Nanaimo-Cowichan-The Islands): The United States also issued a proclamation saying that aircraft flying within 200

miles of the United States coast identify themselves. I am not complaining about this. In an age of aeronautics, a country must protect its citizens. What I am pointing out is that in the interest of preventing pollution, in the interest of protecting the fishing industry, in the interest of protecting resources on the sea bed adjacent to the territory of a coastal state, other nations, and particularly our friends the Americans, have by unilateral action taken the necessary steps to safeguard themselves, their resources and their people, without waiting for international law to catch up.

The fact is, the law of the sea has not kept pace with changing conditions. The release sent out by the United States information service regarding the note which was sent to the Canadian government by the State Department, reads:

> The United States does not recognize any exercise of coastal state jurisdiction over our vessels on the high seas and thus does not recognize the right of any state unilaterally to establish a territorial sea of more than three nautical miles or exercise more limited jurisdiction in any area beyond 12 nautical miles.
>
> We, therefore, regret the introduction of this legislation by the Canadian government which, in our view, constitutes a unilateral approach to a problem we believe should be resolved by co-operative international action.

No one will disagree with the sentiment that it would be desirable to settle this or any other problem by, to quote the United States note, "co-operative international action". But surely, we as Canadians have a right to know how long we are expected to wait before there are provisions in the law of the sea which will protect our people, our coasts and our fishing industry.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Let me remind the House that there was a conference in 1926 at which time the United States called for an action of prohibition against the discharge of oil into the sea. It was voted down two to one. In 1954 another "conference of the sea" was held. A convention was established which would have set up a 50-mile area from the coast within which the deposit of oil was forbidden. The United States refused to sign this convention. It said the provision should require only voluntary adherence. At the 1958 conference the United States offered a six-mile territorial sea zone to replace the three-mile limit. This proposal was defeated.

The so-called law of the sea as laid down in various international conventions is vague and archaic in many respects. In the main, progress has only been made when nations have issued unilateral declarations as to their jurisdiction and have then succeeded in getting those declarations incorporated in an international convention at a conference on the law of the sea. This was true of the Norwegian fisheries doctrine of 1951, which later was incorporated in the convention of 1958. It is true of the Truman declaration of 1945 regarding jurisdiction over the continental shelf with respect to exploitation of the resources of the seabed, which was later incorporated in the convention of 1958.

• (4:00 p.m.)

I think that we, as Canadians, are on sound ground in saying that where our interests are at stake we are justified in following the example of some of the countries to which I have referred and making a unilateral declaration, then indicating our willingness to sit down and discuss the matter with other coastal states in the hope that we can work out international conventions that will be satisfactory to all concerned.

We have been told that a note was delivered to the Canadian government by the government of the United States, though we have only had snatches of it referred to in the press. One report is to the effect that it is understood the note "criticizes the Trudeau cabinet's decision to reject the authority of the court in these disputes". This morning's *Globe and Mail* has extensive quotations which allegedly come from the note that the State Department sent to the Canadian government. I always find it difficult to understand why the press seem to be able to get copies of these notes, at least extracts from them, but we in the House of Commons are not able to get that information.

Mr. Baldwin: It comes from Information Canada.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In this news story, there is contained in quotation marks what is alleged to be a statement that appears in the United States notes. It reads as follows:

> If Canada had the right to claim and exercise exclusive pollution and resources jurisdiction on the high seas, other countries could assert the right to exercise jurisdiction for other purposes, some reasonable and some not, but all equally invalid according to international law.

The two statements I have quoted, and which allegedly come from the U.S. note of

protest, criticize Canada, firstly, for not referring this matter to the International Court and, secondly, for taking unilateral action which might be a bad example to other countries. I want to point out, first of all, that criticism of this country by the United States with regard to not referring this matter to the International Court comes with poor grace from a country that adopted the Connally amendment in August 1946, the effect of which was to exclude the jurisdiction of the International Court from all matters that are essentially within the domestic jurisdiction of the United States, as determined by the United States.

With reference to the criticism that we are acting unilaterally, I have already pointed out that not only the government of Norway but the government of the United States itself, in the proclamations of 1945 and 1946, unilaterally took steps which they deemed fit and proper; first to protect the resources of the seabed on both their coasts, secondly to conserve fishing activities on the high seas, and thirdly to exercise control of air space within 200 miles of their coastlines.

I want to make it clear that we in this party believe that Canada should do everything possible to strengthen the International Court. But we can only do this if other countries are equally committed to accept the court's jurisdiction. At the present time there are only 13 nations that have accepted the court's jurisdiction without reservation; the remainder; Canada and the United States included, have reserved the right to decide in each case whether or not they will allow a matter in dispute to go before the International Court.

My view happens to be that I think it might have been better to have allowed the matter to go before the International Court in order to bring it to a head. There are almost twice as many nations that have more than a three-mile limit than there are nations that adhere to the three-mile limit. I believe the weight of public opinion—

Mr. Sharp: There is no reservation with regard to the 12-mile limit.

Mr. Chrétien: It was the pollution bill that carried that reservation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Yes, that is right. But I am pointing out that the bulk of the nations that have unilaterally extended their territorial sea over the 3-mile limit would be concerned in this question. I think that the bulk of public opinion, which is also concerned about pollution, would force the calling of a conference of the sea, from which we would hope to produce an international convention that would settle the matter in a manner satisfactory to Canada.

It should be made clear to the United States, in my opinion, that the course which Canada has followed is not unique. Indeed, the course of action which the government is following with respect to both these bills is on all fours with the unilateral declarations that were made by the United States in 1945 and 1946, both with respect to jurisdiction over the resources of the seabed and United States fishing rights on the high seas.

Other nations have taken unilateral action in extending their territorial waters and their jurisdiction for specific purposes. At the present time only 32 nations accept the 3-mile territorial limit, while 60 nations have extended their territorial waters anywhere from four miles, as in the case of Finland, Norway and Sweden, up to 150 to 200 miles, as in the case of Chile, Ecuador and Peru. It is significant that Mexico, a close neighbour of the United States, has had a 9-mile territorial limit for a considerable period of time, and that Panama, in which the United States has a very vital interest stemming from the Panama canal, has a 12-mile territorial limit. As a matter of fact, numerous United States fishing vessels flying the U.S. flag have been seized by Chile, Ecuador, Peru and Mexico. The United States has sent notes of protest, but the countries in question have continued to exercise their jurisdiction and, so far as I know, no case has been taken to the International Court.

To my mind, it is significant that this is the first time that the United States has objected to Canada making any declaration of jurisdiction with respect to the Arctic. As I pointed out in a speech which I made in the House on January 22 last, we made a declaration as far back as 1908 on the basis of the sector doctrine. In 1946 the Right Hon. L. B. Pearson, then Canadian ambassador to Washington, made a declaration on behalf of the Canadian government.

• (4:10 p.m.)

On December 8, 1953 the Right Hon. Louis St. Laurent, then Prime Minister of Canada, made a declaration with regard to Canada's sovereignty. There is a strong feeling in some quarters, which I share, that the sudden interest of the United States and its now stated objections clearly relate to the discovery of

oil in the Arctic and the desire of powerful oil interests to get a piece of the action. We in this party believe we should seek international agreement as speedily as possible with regard to jurisdiction over the Arctic and the extension of our territorial waters. But in the meantime we strongly support the government's position that we should not be expected to wait while pollution continues and while our fishing areas are exploited merely because the law of the sea has not kept pace with changing events. The time has come to assert our basic rights while at the same time indicating our willingness to co-operate in working out international conventions which are viable in the light of modern technology.

May I also say a few words about some of the things we in this party think need to be done. Let no one think the problem of pollution of the seas and territorial waters will be solved by the passage of these two bills. First of all, the legislation in question deals almost solely with the pollution of Arctic waters by ships, with the exception of a very vague provision in clause 10. What about pollution by oil drilling rigs?

Mr. Chrétien: That is mentioned.

Mr. Douglas (Nanaimo-Cowichan-The Islands): What about the matter of gushers and wildcat wells? What about the construction of oil pipelines? It seems to me, if we are to deal with the problems of pollution on the mainland of the Arctic, the bill will have to be much more specific and have a great deal more teeth than are to be found in clause 10. This is a matter which can be discussed when the bill is before the committee.

I would also point out that the control of ships entering the Arctic waters should, in our opinion, be extended to cover our coastlines on the Atlantic and the Pacific. Our experience with the *Arrow* and the pollution in Chedabucto Bay ought to be a warning to us. On the Pacific coast, in my constituency, almost every day old tankers come into the ports. Some of these are not seaworthy. Some of them are rusted and some of them dump oil in the harbour. There have been many complaints, and in one or two cases where it was possible legal action was taken against the companies. However, in many instances the ships were gone before any action could be taken. It seems to me prevention of pollution in the Arctic is commendable, but the neglect of our eastern and western coastlines where the bulk of shipping is concentrated would be deplorable. I hope the government is to provide for the same kind of legislation in respect of our two coastlines that is now being provided in the case of the Arctic.

Mr. Chrétien: I mentioned that in my speech.

Mr. Douglas (Nanaimo-Cowichan-The Islands): But the difficulty is that it is not contained in this legislation. We have some unhappy memories of ministers mentioning things and then nothing happening. I would have liked to have seen legislation to deal with this very immediate problem. If tankers are to enter Canada's territorial waters there is no reason they should not be required to meet certain standards. There is no reason, if they are to go through difficult areas, they should not be required to take on a Canadian pilot and have complete, up-to-date charts so that some of the accidents which have occurred will not be repeated.

The 12-mile limit should be measured by base lines drawn from headland to headland. I should like to remind the minister, Mr. Speaker that after the lapse of several years some of these base lines have not yet been drawn. I think Canadian fishermen are entitled to the protection of a law which was passed by this Parliament and which the government has been inexcusably slow in putting into effect. I hope the government will not only see that the fishing industry is protected by having these base lines drawn but that the extension of the territorial waters to 12 miles will be speeded up by having these base lines clearly indicated.

Mr. Stanfield: You will get it by 1985.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I should like to close by saying the government has taken the first important step in the war against pollution in the Arctic. We will give the government unreserved support in passing this legislation. We remind the government, however, that this bill constitutes merely a declaration of policy. The effectiveness of this legislation will depend upon the extent to which the government administers it and the degree to which it enforces the provisions of this legislation with aggressiveness and tenacity. I would remind the government that our unanimous support for this legislation will turn to bitter condemnation if the government weakens under pressure, from whatever quarter that pressure may come. If the government thinks that incurring the wrath of Washington makes it uncomfortable, I can assure the members of the government that their present

discomfort will be nothing compared to the anger and resentment of the Canadian people if this government weakens in its determination to protect the sovereignty and rights of the Canadian people over the waters adjacent to Canada.

Mr. Brewin: Mr. Speaker, I wonder if I might ask the hon. member a question.

The Acting Speaker (Mr. Béchard): The hon. member for Greenwood (Mr. Brewin) on a question.

Mr. Brewin: Mr. Speaker, I wonder whether the hon. member would like to comment on the fact that the State Department apparently proposed an international conference to establish anti-pollution measures in the Arctic and, without in any way delaying or weakening the passage of the present legislation and the firm stand he has advocated in his speech, whether he could reasonably agree to that part of the United States proposal in respect of such an international conference.

The Acting Speaker (Mr. Béchard): Order. The hon. member should ask a question and not ask for a comment because the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has already made his speech.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I had not sat down, so perhaps I might be permitted to answer the question I asked the hon. member to ask me.

An hon. Member: It just appeared that way.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Of course, Mr. Speaker, I am being a little facetious. I agree completely with the hon. member. I thought I had made clear in my remarks, while making this unilateral declaration with regard to our jurisdiction for pollution control purposes over the Arctic and with regard to our sovereignty over our territorial waters to a 12-mile limit, that we should agree readily to an international conference with the coastal states of the world because while the question of pollution is a serious question for Canada it is equally a serious question for other countries. We perhaps are more vulnerable to pollution and therefore must lead in the discussions, but I would certainly support the government in making a declaration—and I hope the Secretary of State for External Affairs (Mr. Sharp) will make the declaration in the course of his speech—that Canada will willingly help to organize such a conference, attend such a conference and co-operate in order to have international standards set with reference to pollution control.

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

Mr. Chrétien: I said the same thing in my speech.

• (4:20 p.m.)

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it is evident from what has been said in this debate already that there is general agreement on all sides with the two fundamental objectives underlying the Arctic waters pollution prevention bill, the economic development of the Canadian Arctic, and the preservation of a unique environment comprising land and ice and open sea.

The government has given long and careful consideration to the means by which these objectives could best be given effect and translated into legislative terms. We have considered these questions in the light of the duty and responsibility Canada owes not only to itself but to the community of nations, that is to say to mankind as a whole. We have refused to be stampeded by clamour from any quarter, and we have rejected simplistic solutions which could create more problems than they might resolve. Instead, we have evolved, after very wide ranging deliberations, a constructive and functional approach that distinguishes between jurisdiction and sovereignty and between essential national objectives and chauvinism, which reconciles national interest and international responsibility, and which will prevent pollution without discouraging development.

The problem of environmental preservation transcends traditional concepts of sovereignty and requires an imaginative new approach oriented toward future generations of men and the plant and animal life on which their existence and the quality of that existence will depend. The problem of environmental preservation moreover must be resolved on the basis of the objective considerations of today rather than the historical accidents or territorial imperatives of yesterday.

Canada has always regarded the waters between the islands of the Arctic archipelago as being Canadian waters. The present government maintains that position, and I say to my friend, the Leader of the Opposition, (Mr. Stanfield) that there is no abandonment of these claims whatever in the legislation that has been put forward here.

Some hon. Members: Hear, hear.

Mr. Sharp: This bill aims at meeting a real and imminent problem and provides for the exercise of a limited form of jurisdiction. This exercise of jurisdiction for the purposes of pollution control can in no way be construed to be inconsistent with a claim of sovereignty over the waters between the islands or otherwise. Similarly, the exercise of sovereignty over an area of the sea extending 12 miles from shore in accordance with the provision embodied in another bill that will shortly be under discussion cannot be said to be inconsistent with a claim to sovereignty beyond 12 miles.

I say to the Leader of the Opposition that in framing our legislation we were very careful to examine this question because I agree with him that if in any way our legislation reflected upon our claims to a larger sovereignty, we would certainly have proceeded otherwise.

There is excellent authority for the propositions that I have put forward on this occasion. In the 1910 North Atlantic coast fisheries case between Britain and the United States the permanent court of arbitration held that a state may, without prejudice to its claim to sovereignty over the whole of a particular area of the sea, exercise only so much of its sovereign powers over such part of that area as may be necessary for immediate purposes. That case is of particular relevance to the Canadian situation since it involved areas of Newfoundland, Labrador, and other parts of Canada's Atlantic coast.

There are those who argue that the problem of marine pollution can only be met by a multilateral rather than unilateral action. Canada has attempted the multilateral approach to this problem most recently at an international legal conference in Brussels in 1969. On that occasion, however, we were unsuccessful in our attempts to persuade the major shipping and cargo owning states to provide adequate recognition and protection for the rights and interests of coastal states which are the innocent victims of pollution incidents of the seas.

State practice, or in other words unilateral action by states, has always been a legitimate means open to states to develop customary international law. As the Leader of the New Democratic Party (Mr. Douglas) said in his very interesting speech, there are a number of examples. I shall also cite some of them and give some others that tend to support the same position. This is how the rule of the three-mile territorial sea, and later the 12-mile territorial sea, originated. It was unilateral action by the United States in the 1945 Truman proclamation which led to establishment of the continental shelf doctrine in international law. It was the practice of Norway in connection with the delimitation of its territorial waters which introduced the straight base line system later written into the Geneva convention on the territorial sea. Again, it was by unilateral action that Canada in 1964 and the U.S.A. in 1966 established nine mile contiguous fishing zones.

The action we are proposing for the Arctic waters in no way rules out the possibility of developing international arrangements for the preservation of the marine environment in Arctic regions. The bill we have introduced should be regarded as a stepping stone toward the elaboration of an international legal order which will protect and preserve this planet earth for the better use and greater enjoyment of all mankind. A single ecological system governs the lives of all men, and the Arctic regions are an extremely important part of that system. They determine the livability of the whole of the northern hemisphere. This bill is a beginning. It puts forward a legislative framework within which we will develop controls and safety standards to ensure that this unspoiled and uniquely vulnerable region is preserved from degradation. We will consult with other countries before we promulgate regulations to this end. We hope that these other countries will show a spirit of understanding and co-operation so that together we can construct a system of internationally agreed rules and safety standards which will advance our common interests without interfering unreasonably with particular interests.

Canada has a long tradition of leadership and active participation in multilateral efforts to resolve problems which go beyond purely national concerns. This is especially true in the field of international environmental law. In the famous Trail Smelter case, we went to arbitration with the United States in 1935 and accepted state responsibility for the pollution of United States territory. In later years, we pressed hard for the non-proliferation treaty and we were in the vanguard of attempts to prevent fallout pollution from atomic testing. We have been engaged with the United States since 1909 in a unique experiment in international co-operation on common environmental problems, through the International Joint Commission. However, it is precisely this long experience with mul-

tilateral and bilateral approaches which convinces us that immediate action by Canada is required for protection of the Arctic environment.

We know only too well that a situation requiring urgent action cannot be met by the slow and difficult process of negotiating international arrangements. However valuable may be the work of the International Joint Commission, citizens of both Canada and the United States are painfully aware that it has not prevented the pollution and contamination of the Great Lakes to the point where the very life of these vast bodies of water is threatened. The International Joint Commission is undertaking remedial action on the Great Lakes but that action is long overdue and will not easily undo the ravages that have taken place. We cannot be too late everywhere. We cannot wait until the damage has been done in the Arctic if only because such damage in that environment may well be irreversible.

• (4:30 p.m.)

The first attempts to find an international solution to the problem of pollution of the seas by oil were made in the early 1920's but did not achieve even partial success until the late 1950's. In 1926 an international conference held in Washington drew up a relatively modest proposal for the control of deliberate marine discharges of oil or oily mixtures. Even this modest proposal failed to achieve ratification.

By 1954 the oil pollution problem had reached such a state of crisis in some areas that a second major conference was convened. The result was the London Convention for the Prevention of Pollution of the Sea by Oil. This convention, like the 1926 proposal, deals with the prevention of deliberate pollution by tanker cleaning operations, but leaves enforcement to the flag states rather than the coastal states suffering the damage. This convention was adopted despite strong opposition from the United States, which believed that the problem of deliberate discharge would disappear by educational programs and technological advances.

The London Convention was only slowly accepted, and it was not until four years later that sufficient countries had ratified it to bring it into force. Canada's instrument of acceptance was deposited in 1956, and that of the United States in 1961. The Convention was amended by a second conference held in 1962 under the auspices of the Intergovernmental Maritime Consultative Organization.

[Mr. Sharp.]

The 1962 amendments were relatively marginal, but extended from 50 to 100 miles the minimum zones in which the deliberate discharge of oil is prohibited. Canada accepted these amendments in 1963, but they did not achieve sufficient acceptance to come into effect until 1967.

The amended London Convention remains the major international instrument in force in this field. Despite its modest aims, and despite the fact that it leaves enforcement to the flag states and thus preserves their traditional exclusive jurisdiction over their vessels on the high seas, this limited convention did not come into effect until some 30 years after the oil pollution problem first began to attract serious international attention. Its inadequacies as to the scope and enforcement of its provisions are, I believe, disputed by no one.

More recently, however, we believed there was cause to hope that the nations of the world might join together to attack the problem of oil pollution on a broader front and to adopt more effective measures for its prevention and control. The *Torrey Canyon* incident has awakened states and public opinion to the catastrophic consequences of a spill from a jumbo tanker. Domestically and internationally there had been increasing signs that the quality of the environment was becoming the major issue of our time. Against that background Canada went to Brussels, in November, 1969, to participate in an international legal conference on marine pollution damage. The results of the conference, however, while reflecting a certain degree of progress were seriously disappointing.

Many delegations at Brussels displayed what appeared to us to be an excessive caution and conservatism and a rigid pre-occupation with the traditional concept of unqualified freedom of the high seas. That freedom, in our eyes, seemed to be tantamount to a licence to pollute; it did not in any way strike a proper balance between the interest of the flag state in unfettered rights of navigation and the fundamental interest of the coastal state in the integrity of its shores.

As a result, despite our most vigorous efforts, Canada was only partially successful in achieving recognition of the paramount need for environmental preservation and the principle that the bulk carriage of oil and other pollutants by sea is an ultra-hazardous activity which gives rise to an absolute liability to compensate in full the victims of pollution damage arising from such carriage.

The outcome of the Brussels conference was so little oriented toward environmental preservation and so much oriented towards the interests of ship and cargo owning states that Canada abstained from voting on the public law convention dealing with the right of intervention on the high seas and voted against the private law convention on civil liability for pollution damage.

While the main thrust of the bill under debate is preventive, that of the Brussels conventions is remedial and liability oriented. I do not wish, however, to be excessively severe or negative in judging the achievements of the Brussels conference. The public law convention negotiated there incorporates the very important principle that coastal states may intervene against foreign ships on the high seas to prevent or minimize major pollution damage where a marine accident, threatening or actually causing oil pollution, has already occurred.

I must say in this connection that I find it anomalous that certain countries can accept the right of a coastal state to sink a foreign ship on the high seas when a marine accident threatens pollution, but at the same time assert that coastal states do not have the right to prevent such an accident by turning away such a ship from areas off its coasts, or by imposing certain safety standards or preconditions for entry into these areas.

The coastal state's right of intervention on the high seas, as incorporated in the Brussels convention on international law, may perhaps represent a sufficient basis, for the time being at least, to protect the marine environment and Canada's coastal interests beyond the proposed 12-mile limit to our territorial sea on the Atlantic and Pacific. As I have said, however, the problem of pollution in those areas is also a matter of vital concern and will be given the most energetic attention by this government. With respect to the Arctic, other measures impose themselves.

We hope that the Arctic waters bill will provide a framework for internationally agreed safety standards. The brief review of multilateral efforts which I have just made is sufficient proof, however, that an approach of that kind would not have met the need for early action and would not have provided the stability and certainty required for investment in the development of Arctic resources and Arctic navigation.

There can be no doubt, Mr. Speaker, that Canada has tested the climate for international action against marine pollution, and there can equally be no doubt that the climate has been found seriously wanting—if that is a good simile. We are determined to discharge our own responsibilities for the protection of our territory. We are equally determined to act as pioneers in pushing back the frontiers of international law so that the laissez-faire régime of the high seas will no longer prevent effective action to deal with a pollution threat of such a magnitude that even the vast seas and oceans of the world may not be able to absorb, dissolve or wash away the discharges deliberately or accidentally poured into them.

The Arctic waters bill represents a constructive and functional approach to environmental preservation. It asserts only the limited jurisdiction required to achieve a specific and vital purpose. It separates a limited pollution control jurisdiction from the total bundle of jurisdictions which together constitute sovereignty. In this it resembles in some degree the approach which Canada was among the first to adopt with respect to jurisdiction over the exploitation and conservation of fishery resources.

The results which have been achieved in the latter field encourage us now to lead the way in developing rules to prevent pollution of the sea and of the shores of coastal states. We firmly believe that this is the best way to bring order out of impending chaos in the law of the sea.

The pioneering venture upon which we are embarked is a measure of our serious concern at the failure of international law to keep pace with technology, to adapt itself to special situations, and in particular to recognize the right of a coastal state to protect itself against the dangers of marine pollution.

Existing international law is either inadequate or non-existent in this respect. Such law as does exist, as I have already indicated, is largely based on the principle of freedom of navigation, and is designed to protect the interests of states directly or indirectly involved with the maritime carriage of oil and other hazardous cargoes.

A new "victim-oriented" law must be created to protect the marine environment and those rights and interests of the coastal state which are endangered by the threat to that environment. The Arctic waters bill is intended to advance the development of such new law. It is based on the fundamental principle of self-defence and constitutes state practice, which has always been accepted as one of the ways of developing international law.

Arctic Waters Pollution Prevention Bill

• (4:40 p.m.)

Where the law is deficient any action undertaken to remedy its deficiencies cannot properly be judged by the existing standards of that law. Such a proceeding would effectively block any possibility of reform. Canada remains firmly attached to the rule of law in international affairs and has the highest respect for the International Court of Justice and the part it plays in the maintenance of that rule of law. At the same time, however, we are not prepared to litigate with other states on vital issues concerning which the law is either inadequate, non-existent or irrelevant to the kind of situation Canada faces, as is the case in the Arctic. It is no service to the court or to the development of international law to attempt to resolve by adjudication questions on which the law does not provide a firm basis for decision. For these reasons, we have been obliged to submit a limited new reservation to our acceptance of the compulsory jurisdiction of the International Court of Justice.

Even with the new reservation, Canada's acceptance of the compulsory jurisdiction is much broader than that of many other countries. It does not in any way reflect lack of confidence in the court but takes into account the limitations within which the court must operate and the deficiencies of the law which it must interpret and apply. Moreover, it may be revoked and Canada's acceptance of the compulsory jurisdiction may again be broadened at such time as those deficiencies are made good. In the interval, Canada stands prepared to appear before the court where the court is in a position to exercise its proper function and render a decision either for or against us. Such is the case, for instance, with respect to our bill on the 12-mile territorial sea. Our readiness to submit to the international judicial process remains general in scope and is subject only to certain limited and clearly defined exceptions rather than to a general exception which can be defined at will so as to include any particular matter.

Mr. Lewis: Why don't you say you mean the United States?

Mr. Sharp: The hon. member makes a comment with which I will not disagree.

I have already stressed the government's hope that it will be possible to achieve internationally agreed rules for Arctic navigation within the framework of our proposed legislation. We recognize that the interests of other states are inevitably affected in any exercise of jurisdiction over areas of the sea. We have taken these interests into account in drafting our legislation; we have, for instance, provided that naval vessels and other ships owned by foreign governments may be exempted from the application of Canadian antipollution regulations if the ships in question substantially meet our standards.

Mr. Stanfield: Russian tankers.

Mr. Sharp: We will give the interests of other states further consideration by entering into consultations with them before promulgating safety regulations under the Arctic waters bill.

I should point out that the interests of other states in the uses of the sea are not necessarily in conflict with ours. We, too, are concerned to preserve the essential freedoms of the seas. We, too, do not wish to place unnecessary or unreasonable restrictions on maritime commerce. Security factors are vital to us as well as to others. It is because we share the concern to head off developments undesirable for common interests that we ask other states to adopt a flexible attitude which is responsive to new needs and special circumstances, and that we seek the co-operation of other states and offer them ours.

In recognition of common interests and in the spirit of co-operation, Canada has for many years engaged in periodic consultations with the United States on matters concerning the law of the sea. We have not always agreed on those matters but we have always benefitted from obtaining a better understanding of our respective positions and concerns.

I should like now to turn to a point of some importance in considering the international aspects of this legislation, namely the position of the United States government concerning it. The government of the United States has on a number of occasions recently expressed a particular interest in the various aspects of the law of the sea raised by the Prime Minister's statement in the throne speech debate when he announced the government's intention to introduce legislation to protect the ecological balance of the Canadian Arctic, and requested an opportunity to discuss them with us. Two rounds of discussion were held for this purpose. On March 11 the Canadian Ambassador to the United States, Marcel Cadieux, accompanied by two Canadian officials, Mr. Beesley, head of the legal division of the Department of External Affairs, and

Mr. Head, Legislative Assistant to the Prime Minister, called on Mr. Alexis Johnson, United States Under-Secretary of State for Political Affairs, and a group of senior United States officials. These discussions were very frank and friendly but they revealed, as expected, differences of views between our two governments on a number of questions, and it was agreed that a further round would be held after the United States government had had time to consider the matter further. On March 17, President Nixon telephoned the Prime Minister to express his interest in the matter and offered to send a high level team to Ottawa for further discussions. On March 20 a team of senior United States officials led by Under-Secretary of State Johnson and including the Under-Secretary of the Navy and an Assistant Secretary of Transport, as well as senior officials from the State Department, Defence Department, the Coast Guard, and the Department of the Interior, came to Ottawa and met with me, the Minister of Indian Affairs and Northern Development (Mr. Chrétien), the President of the Privy Council (Mr. Macdonald), and senior Canadian officials, including the Under-Secretary of State for External Affairs, and Canada's Ambassador to Washington, to make known the United States views on the questions under discussion. These discussions lasted all day and were again frank but friendly. Subsequently, there were further discussions in Washington between our Ambassador to the United States and Mr. Johnson, and a telephone conversation between the Prime Minister and Secretary of State Rogers. Unfortunately, it did not prove possible for the two governments to reach agreement on all aspects of these questions, as has since been made known by the United States government. I think this account of these discussions makes quite clear that we have taken very seriously the United States interest in these matters.

These differences can be resolved, and resolved in a manner consistent with our interests as a sovereign nation and our long history of close and mutually co-operative relations with the United States. We cannot abdicate our responsibilities in a matter of special importance to us, and we cannot abandon our right and duty to protect our territory. Given this fundamental and irreversible position on our part, there remains nevertheless a wide range of possibilities for bilateral and multilateral co-operation which could advance the cause of environmental preservation in the Arctic waters in harmony with the interests of all concerned. We are prepared to go forward from this position, but only forward and not back.

Some hon. Members: Hear, hear.

The Acting Speaker (Mr. Béchard): The hon. member for Parry Sound-Muskoka has a question?

Mr. Aiken: Yes, Mr. Speaker. I should like to ask the minister a question so that we can be perfectly clear about his position on the 12-mile limit, particularly under Bill C-203, although we have been discussing the two bills. Regarding the Arctic Islands, will Bill C-203 draw geographic lines of the 12-mile limit around each island or is it intended to draw a line enclosing all the Arctic Islands? In other words, will the territorial sea as defined in Bill C-203, include areas between Arctic Islands of more than 24 miles?

Mr. Sharp: Since obviously we claim these to be Canadian internal waters we would not draw such lines, Mr. Speaker.

The Acting Speaker (Mr. Béchard): The hon. member for Greenwood has a question.

Mr. Brewin: Mr. Speaker, I should like to ask the minister a question similar to that asked of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). One proposal in the United States government note was that Canada should join in organizing an international conference on antipollution measures in the Arctic. Is the Canadian government willing to accept this proposal, at the same time maintaining its clear and unwavering intention to proceed with the legislation and the measures proposed by it unless and until some satisfactory solution is arrived at by international agreement?

Mr. Sharp: Mr. Speaker, not only did the United States government give notice to us in the note, and the version of it which they published, that they would like to have a conference on Arctic pollution, but we have subsequently received a formal invitation to join with them in sponsoring a conference of this kind dealing with, as we understood it, areas beyond national jurisdiction. We have, of course, in principle, been very happy to consider such a suggestion but I think it is important that before we say we would go to such a conference we have a better understanding of what the discussion would be.

Mr. Aiken: May I ask a further question for clarification, Mr. Speaker? With regard to the

Arctic Islands, where will the 12-mile limit begin? Will the line start at the outer limits of all the Arctic Islands, since the minister has said he would not draw lines around the inner limits? Surely, the bill will apply in the Arctic?

• (4:50 p.m.)

Mr. Sharp: Yes, Mr. Speaker. There is no limitation on where the territorial waters would lie. There may be territorial waters around the Arctic islands and along our coasts. I doubt very much, however, whether the government will fill in all the gaps as yet. The hon. gentleman knows, for example, that we have not drawn in lines within the St. Lawrence and the reason that we have not drawn those lines is that we do not want to compromise our position as to the status of the Gulf of St. Lawrence.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in rising to speak on Bill C-202, which is one of the three bills recently introduced relating to the sea and our territorial limits, I cannot help but note the real and necessary concern of the government for the establishment of pollution controls in the waters adjacent to our shores.

In recent years the official opposition has carried on a vigorous campaign in the House of Commons, urging the government to make a clear and unqualified declaration of Canada's sovereignty over the lands and waters of the Canadian Arctic. This campaign increased in intensity when it became clear that the government itself had sown the seeds of doubt in Canada and the international community by hedging, waffling and refusing to take a stand on this issue.

Mr. Perrault: Nonsense.

Mr. Crouse: The hon. member who makes many of his contributions from his seat says this is nonsense.

An hon. Member: He also makes very good speeches.

Mr. Crouse: He may make very good speeches, but he said this was nonsense. I will answer him in a minute. The campaign increased in intensity when it became clear, as I said, that the government was waffling on this issue. The Arctic region, so long regarded as Canadian territory by everyone, was about to be lost through default by this government.

Concern over Canadian rights in the Arctic was expressed at the time of the experimental voyage through the Northwest Passage of the giant Humble Oil tanker *Manhattan*. This concern came to a head when the Standing Committee on Indian Affairs and Northern Development, comprised of Members of Parliament who had made a close study of this issue, recommended that the government claim sovereignty over northern lands and waters which traditionally had been considered as belonging to Canada. What happened? The government resisted every effort to have this committee report brought before the House for discussion until the Progressive Conservative Member for Athabasca (Mr. Yewchuk) eventually won the right to debate a motion that the House concurred in the committee's report. Naturally, it was hoped at this time that the government would end the uncertainty by declaring our sovereignty over our northern archipelago, in keeping with the committee's recommendations. And what happened again? The motion was talked into adjournment by government supporters.

I have been asked, Mr. Speaker, why the members of the official opposition take such a strong stand on the question of Canadian sovereignty in the north. I can only reply that it stems from our threefold concern which cannot be brushed aside by the government's indifference. By our declaring sovereignty over our northern lands and waters, Canadian citizens in the north will be protected from exploitation. By our declaring sovereignty over our northern lands and waters, development in the Canadian north will remain in the hands of the Canadian people under the control of the Canadian government. By declaring sovereignty over our northern lands and waters, we will have the right to prevent an ecological disaster that could affect the people of this nation and, indeed, the whole world.

The bill before us refers many times to the Canadian Arctic, but at no time does it specifically define what is meant by the Canadian Arctic. In my opinion the Canadian Arctic should be clearly defined. There are no teeth in this legislation which spells out our sovereign rights to the waters and the islands as listed on the map called "Canada's Arctic Islands" which is published by the Canadian Hydrographic Service through the Department of Energy, Mines and Resources. All these individual islands in Canada's archipelago are named; they stretch right up to the Lincoln Sea in the Arctic Ocean and the names are as picturesque as the islands are numerous. They include Queen Elizabeth Island, Ellesmere Island, Borden Island, Mac-

kenzie King Island, Prince Patrick Island, Prince of Wales Island, Borden Peninsula on Baffin Island, Victoria Island, King William Island, and many more too numerous to mention. Obviously, preceding prime ministers and governments had the courage to name these islands. Has not this government the courage to claim them?

Mr. Sharp: We have always claimed the islands. It is only the water that is in dispute.

Mr. Crouse: Is there any question about the water?

Mr. Sharp: Other people question it; we do not. Nobody questions our claims to the islands.

Mr. Crouse: The Secretary of State for External Affairs further confuses the issue by saying that some people dispute our claim to the waters but nobody disputes our claim to the islands.

Mr. Sharp: My statement clarifies it.

Mr. Crouse: The Prime Minister (Mr. Trudeau) does not claim the waters, and that completely refutes the statement made by the Secretary of State for External Affairs.

Mr. Sharp: He reiterated my views clearly.

Mr. Crouse: He reiterated the minister's views in a strange way, Mr. Speaker. The Prime Minister's views are on record and I will include them in my remarks in a few moments.

This bill is cited as the Arctic Waters Pollution Prevention Act. In my opinion, Canada cannot risk its whole policy on Arctic pollution control by refusing to declare our sovereignty in this area. However, when interviewed outside the House by the press following the introduction of this bill, the Prime Minister stated as follows—and I am now quoting from a transcript of his remarks:

> This is the first bit of legislation—
>
> It is not an assertion of sovereignty; it is an exercise of our desire to keep the Arctic free of pollution and by defining 100 miles as the zone within which we are determined to act, we are indicating that our assertion there is not one aimed towards sovereignty, but aimed towards one of the very important aspects of our action in the Arctic.

That statement, Mr. Speaker, by our Prime Minister completely refutes the statement made a moment ago by the Secretary of State for External Affairs. According to Canada's Prime Minister, this bill is not a declaration of sovereignty over the waters in our northern archipelago. The statement of the Secretary of State for External Affairs is refuted. May I call it five o'clock, sir?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas)—Industry—Criteria for payments to automobile companies; the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Pollution—Phosphate detergents—Door-to-door distribution of Arctic Power; the hon. member for Elgin (Mr. Stafford)—Administration of Justice—appointment of judges.

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

PRIVATE MEMBERS' PUBLIC BILLS

METROPOLITAN TORONTO HARBOUR COMMISSIONERS ACT

MEASURE TO EXTEND REPRESENTATION ON COMMISSION

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask for the unanimous consent of the House to make a proposition, namely, that the subject matter of Bill C-195 be referred to a committee. I believe there have been consultations about this matter.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, it is agreed that the motion may be put now.

Mr. Stanley Knowles (Winnipeg North Centre): On the understanding that the motion deals with the subject matter of the bill, we also agree.

Mr. Forest: Mr. Speaker, I move:

> That the Order for the second reading of Bill C-195, An Act respecting the Port of Toronto, be discharged and that the subject matter of the said Bill be referred to the Standing Committee on Transport and Communications.

Federal Sales Tax on Drugs

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I am instructed by my house leader that our party agrees to the unanimous consent needed for this motion. Since some specific problems may arise, we do so with the understanding, of course, that when the occasion arises for such a motion to be moved on our part, the hon. member and his colleagues will also agree to giving unanimous consent.

Motion agreed to.

• (5:00 p.m.)

Mr. Forest: Mr. Speaker, there have been discussions and I believe the hon. member for Waterloo (Mr. Saltsman) is ready to deal with item No. 176 on today's list. After this has been dealt with, then we shall deal with item No. 2, which is also in his name.

The Acting Speaker (Mr. Béchard): Is it agreed?

Some hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS FOR PAPERS

CONSUMER AND CORPORATE AFFAIRS

REQUEST FOR COPIES OF REPORTS; REVIEWS OR STUDIES ON FEDERAL SALES TAX ON DRUGS

Mr. Max Saltsman (Waterloo) moved:

That an Order of the House do issue for copies of any reports, reviews or studies of the Department of Consumer and Corporate Affairs regarding the removal of the federal sales tax on pharmaceuticals and drugs.

He said: Mr. Speaker, there is great importance to this motion in the sense that we really need the particular information for which I have asked in order to properly assess how effectively the policies of the department are. At the time that the federal sales tax was removed on pharmaceuticals and drugs, some questions were raised as to whether these savings would be passed on to the consumers. By comparing prices considerable evidence is accumulating which shows that many of these savings are not being passed on to the consumer.

The reason for asking whether the department is prepared to issue copies of these reports, reviews or studies is to ascertain the effectiveness of this program. If the department has these studies, certainly Parliament should be aware of them so that we can do an effective job of lowering drug prices to the consumers. On the other hand, if by asking for these reports and studies the government is placed in a somewhat embarrassing position because they do not have them, the public should be made aware of this shortcoming. Therefore, for any reason Your Honour may wish to examine, it will be seen that we are very much in order in asking that this information be made available.

In a more general way, we have repeatedly asked for information on this and other subjects only to be told that the documents are internal working documents and cannot be released to the public. I see no reason why internal working documents cannot be released. We realize that sometimes there is controversy within a department. There may be different views held within a department as to the way to proceed. If that is the case, I feel this information should be available.

The government often accuses the opposition of being irrelevant or not dealing with a subject as well as we might. In the same breath that they make that accusation, they deny the opposition information which would assist them in debating a subject. Surely, there can be no argument against the opposition having as much factual information as possible in the interests of having a more meaningful discussion in this House.

In concluding these remarks, I urge upon the hon. gentleman who will be speaking on behalf of the government department to indicate in a very clear way why he cannot comply with this request. More hopefully, I trust he will agree with the argument made today and give us an opportunity of having this information, so that our work in this House can be more effective and, as a result, more beneficial to the public.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I have some further information for the hon. member. I hope after the hon. member hears what I have to say that he will withdraw his motion. I am informed that primary responsibility for dealing with representations made in connection with the removal of the sales tax on drugs rested, of course, with the Department of Finance. At that time the Department of Consumer and Corporate Affairs had not been established and its predecessor was not directly involved in the decision to remove the tax.

The office of the Director of Investigation and Research under the Combines Investiga-

tion Act however, did undertake a survey to determine if the savings represented by the repeal of the tax had been passed on to the trade. For a number of reasons this test could only be a rough one, although the broad conclusion reached that on approximately 90 per cent of the items the savings were passed on is believed to be dependable.

The survey was carried out on the basis of price data obtained from roughly 60 drug manufacturers. In total, the prices of approximately 7,500 items were examined. The problem was complicated by the fact that the application of the sales tax on drugs was subject to rulings by the Department of National Revenue which permitted a manufacturer to deduct allowances for transportation and cash discounts from the base to which the sales tax was applied. In addition, the base varied from sale to sale depending upon the type of customer, whether wholesaler or retailer. A further complication was that some price lists showed suggested resale prices, while others showed prices to the trade. It was therefore necessary to calculate many prices in order to make a meaningful comparison.

The documentation arising out of this survey is therefore voluminous, involving several file drawers of price lists for approximately 60 companies, and of worksheets relating to approximately 7,500 drug items. Without the expenditure of an inordinate amount of time this material could not be assembled in any way which would be meaningful, beyond the broad conclusion mentioned. With this information, I hope the hon. member will agree to withdraw his motion.

Mr. Saltsman: Mr. Speaker, I wonder whether the Parliamentary Secretary will answer a question, since he recognizes that there is much detailed information available. Was there an accurate evaluation made of this vast amount of material? Is there some kind of a workable presentation? Surely, the department did not collect all these figures, make this investigation and then not reach some kind of conclusion or prepare some kind of breakdown to show what these figures represent. It is not my intention to ask for every scrap of paper in the file. That would be rather pointless. What I want to know is what conclusions the department reached and what studies arose from the collection of this data? Could that be presented to the members of this House so that they can form an opinion as to the effectiveness of the reduction of the sales tax?

Mr. Forest: Mr. Speaker, I cannot readily inform the hon. member whether a resumé of all this information has been prepared by the department and, if so, whether they are prepared to table it. I am not ready at this time to deal with this request.

Mr. Saltsman: May we adjourn the debate at this stage until more information can be supplied, Mr. Speaker? I might perhaps lodge a small grievance at this point. I placed this question on the Order Paper a considerable time ago. If the department felt that the information was not available to them, as a matter of courtesy and as a matter of expediting the work of this House, surely I could have been informed that the question should be directed to the Department of Finance. I would have been quite willing to do that. There are various ways in which this question could have been handled without allowing it to reach this stage. An answer could have been made in a cursory way in the House when the order for motions for papers was called. I still find the government's position is most unsatisfactory, and I would appreciate having the debate adjourned at this point in the hope that a better approach may be taken next time.

• (5:10 p.m.)

Mr. Deputy Speaker: Order. There is a slight procedural difficulty here. The motion before the House at this time is the hon. member's motion. I do not think it would be proper for him to move the adjournment.

Mr. Knowles (Winnipeg North Centre): Could I do that? Could I move the adjournment of the debate, seconded by the hon. member for Surrey (Mr. Mather)?

Mr. Forest: I do not think we could consent to that, Mr. Speaker. The minister has already informed the hon. member that the reports, reviews and studies mentioned in the motion comprise work sheets and memoranda made up for the internal use of the department, that they are privileged documents and cannot be revealed. We have given further information as to the complexity of this question, the amount of time and money which would be involved in furnishing this material. We could not agree to such a motion as the hon. member suggests.

Mr. Deputy Speaker: There is one further objection. I am informed that the hon. member for Winnipeg North Centre seconded

the original motion. Maybe the simplest thing would be to put the question, if the House is ready.

Mr. Saltsman: If the motion to adjourn is not in order, I should like to continue addressing questions to the government.

Mr. Forest: The hon. member has already spoken on this matter, and I do not see why the question cannot be put now, unless there is someone else who wishes to speak on it.

Mr. Deputy Speaker: The hon. member has the right, under the standing order, to conclude the debate. If there are no further contributions I am certainly prepared to recognize him for five minutes pursuant to Standing Order 48, I think it is. I would point out to him that if he speaks now he will close the debate.

Mr. Saltsman: Thank you, Mr. Speaker. I still cannot understand the government's position. I cannot understand what there might be in the analysis of the information it has acquired which could be considered as confidential. I am not asking for figures regarding specific costs. I am interested in finding out what has happened to prices of various drugs since the removal of the sales tax. Surely, this information cannot be considered confidential. The public is entitled to know what has happened to the tax money. If a tax amounting to 11 per cent is removed from a drug and the benefit is not passed on, the price must eventually be paid by the general public. There is no point in giving these companies a bonanza. We heard a great deal about the benefits which would follow this move. We were told that if the sales tax was removed, drug prices would go down. However, there is no clear evidence that the removal of sales tax has had any such effect. Indeed, drug prices seem to be rising.

It is regrettable that the government is not prepared to be frank with the House and tell us what has happened. Either the department has collected a great deal of information and made no use of it, in which case the entire exercise has been worthless, or else it has the information and is withholding it from members of this House. In either case, the government is to be strongly criticized for its stand.

Mr. Deputy Speaker: Is the House ready for the question? All those in favour, please say aye.

Some hon. Member: Aye.

[Mr. Deputy Speaker.]

Mr. Deputy Speaker: Those against, please say, nay.

Some hon. Members: Nay.

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

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

Motion (Mr. Saltsman) negatived.

COMBINES

REQUEST FOR COPIES OF STUDY BY ECONOMIC COUNCIL OF CANADA

Mr. Max Saltsman (Waterloo) moved:

That an Order of the House do issue for copies of all reports and studies undertaken for the Economic Council of Canada review of Canada Combines and Anti-Trust legislation.

He said: Again I appeal to the government to make this information available, particularly since there is a strong possibility that the pertinent legislation will be reviewed. It would be very helpful in the course of an examination of the government's proposals if we had the benefit of some of the background information which has been provided. Again, I see no reason why the government should not be more co-operative in this regard.

In looking over the wording of my motion, I see it calls for copies of all reports and studies undertaken by the Economic Council in this field. I realize that the word "all" is unlimited in scope; it was used only in the absence of a suitable alternative. I could not have used the word "some" for instance; it would have been too indefinite. I hope the government will not reject our request simply because the word "all" is used.

I should like to make it clear that I am quite prepared to be accommodating in the sense that if the government says it is willing to make the significant information, or précis, our outlines available to me, I would be happy to accept that kind of response rather than insist that everything which has been done be presented—though I still believe it would be highly desirable that all this information should be disclosed. However, if that is too formidable a task I would be happy to accept an undertaking by the government that sufficient information will be made available to prove satisfactory in meeting the objectives of the motion before us.

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): I am pleased to recip-

rocate the reasonable attitude taken by the hon. member for Waterloo (Mr. Saltsman). On December 17, of last year, when he put this motion, the reply I gave implied no refusal. I said at that time that the Economic Council of Canada intended to publish the research underpinning this report. As of today's date, it has released the first of those studies, an essay on some critical aspects of the activities of international corporations. This was done by J. N. Behrman of the University of North Carolina. The Council has supplied me with a list of additional studies it intends to release as rapidly as they can be prepared for publication. I commend them for their attitude in not just being pressured into releasing this information but for being anxious to supply it to the House as well as to the country at large. They have supplied all the information they have in the best form available. If there is any hold-up it is only because these additional studies that I will now recite are underway and are being prepared as rapidly as possible for publication.

• (5:20 p.m.)

It would be useful information for the House to know that the council intends to release the following studies which are now in the course of preparation: "Industrial Concentration in Canada", by Max Stewart of the University of Alberta; "Economic Criteria for Assessing Restrictive Trade Practices" and "Detrimental Situations that Escape Control by the Combines Investigation Act", by Don Eldon of Trent University; "The Regulation of Restrictive Practices—Recent European Experience", by James Cairns of the Royal Military College; "The Development of Canadian Antitrust Legislation", by Joel Bell, Harvard Law School; "The Economic Theory of Patents, Copyrights, Trademarks and Designs", by Brian Hindley, London School of Economics; "The History and Context of Copyright Law", by Bruce MacDonald, Queen's University; "The Meaning and Potential of the Existing Principles of Fair Dealing", by Grant Sinclair, Queen's University; and "International Copyright", by J. Hucker, Queen's University.

The council is planning on the publication, through other organizations, of the following additional studies prepared for the council under this reference: "Anti-Combines Legislation and Policy in Canada: An Overview", by Milton Moore of University of British Columbia, the publisher yet to be decided; "Some Evidence on Economic Determinants of R & D Activity"—as an aside, I must confess that I am not sure, though the hon. members may be, what R and D activity is—the study to be made by Mr. H. E. English and E. Choudhri of Carleton University, and to be published by the Private Planning Association of Canada. The last is "Survey of Views About the Canadian Patent System and Industrial Research and Development Activities in Canada", by A. W. Wilson of the Science Council of Canada, formerly of the Economic Council, the study to be published by the Science Council of Canada.

I hope the hon. member has received this statement with some satisfaction. Again, may I say that I am pleased by the co-operation that I have had from the council in their desire to make these publications available and as widely distributed as possible at the earliest possible moment. In view of this statement, I wonder whether the hon. member feels that the matter has been adequately dealt with.

Mr. Saltsman: Yes, Mr. Speaker, I think that is a very satisfactory reply. My only regret is that I did not get that answer earlier, in which case we might have avoided the situation today. I was very pleased to hear the comprehensive outline presented by the parliamentary secretary. I am quite happy to accept this explanation, subject to the option of putting the motion on again should I require further information.

Mr. Walker: If the hon. member does not put it on again, then I will.

Mr. Deputy Speaker: Do I understand that the hon. member for Waterloo wishes to withdraw his motion?

Mr. Saltsman: Yes, Mr. Speaker.

Mr. Deputy Speaker: I would point out to the House that, according to Standing Order 50, he must have unanimous consent of the House to do so. Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: Motion withdrawn.

Order discharged and motion withdrawn.

Mr. Forest: Mr. Speaker, I do not believe there are any other members who are ready to proceed with Notices of Motions for Production of Papers. I suggest that the House agree to call it six o'clock.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock I do now leave the Chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

ARCTIC WATERS POLLUTION PREVENTION BILL

PROVISIONS RESPECTING DEPOSIT OF WASTE, PLANS AND SPECIFICATIONS OF WORKS, SHIPPING SAFETY CONTROL ZONES, ETC.

The House resumed consideration of the motion of Mr. Chrétien that Bill C-202, to prevent pollution of the areas of the Arctic waters adjacent to the mainland and islands of the Canadian Arctic, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, when I was speaking in this debate at five o'clock this afternoon, among other things I indicated our support in principle of this legislation. However, I pointed out at that time the obvious difference of opinion which exists in respect of this legislation between our Prime Minister (Mr. Trudeau) and the Secretary of State for External Affairs (Mr. Sharp).

During his speech this afternoon, and in reply to questions following his remarks, the Secretary of State for External Affairs stated that Canada has always considered the northern waters in Canada's archipelago as territorial waters of Canada coming under the sovereignty of Canada. The Prime Minister, however, when interviewed outside the House by the press following the introduction of the bill made the following statement. I shall quote from a transcript of his remarks:

> This is the first bit of legislation. It is not an assertion of sovereignty—it is an exercise of our desire to keep the Arctic free of pollution and by defining 100 miles as the zone within which we are determined to act, we are indicating that our assertion there is not one aimed toward sovereignty but aimed toward one of the very important aspects of our action in the Arctic.

Who are we to believe? Who speaks the truth so that all Canadians will understand—the Prime Minister or the Secretary of State for External Affairs? Surely this important point should be clarified before this bill receives second reading and goes to the committee. Surely the Prime Minister must realize what he is doing. Surely he must realize that any waters beyond our territorial limits are regarded as the high seas. The apprehension of any vessel on the high seas could be construed as a hostile act. Anyone who arrests a vessel on the high seas could be accused of piracy. Because of these facts I contend that Canada must exercise her sovereignty over the whole Canadian northern archipelago and over the whole area of pollution control, if this legislation is to stand up in a court of international law.

The reasons generally accepted as justifying the extension of the sovereignty of a state over its territorial seas have been laid down by practice and by tradition. First, the security of the state demands that it should have exclusive possession of its shores and should be able to protect its approaches. Second, for the purpose of furthering its commercial, fiscal and political interests a state must be able to supervise all ships entering, leaving or anchoring in the sea near its coast. Third, the exclusive enjoyment of the products of the sea close to the shores of a state is necessary for the existence and welfare of the people in that state.

In my opinion, political and economic considerations are the predominant factors which will determine the extent of the territorial sea over which a state would want to assert sovereignty and jurisdiction. The question of the breadth of the territorial sea of a coastal state is therefore inseparably connected with the question of self-preservation or survival. In the light of this basic fact different states have claimed varying extents of territorial seas, and because the circumstances and conditions of states vary there is no absolute uniformity in their respective claims concerning the breadth of the sea adjoining their coasts which comes under their sovereignty and jurisdiction. In some cases this assertion and exercise of sovereignty is based on historic title, in others upon existing treaties, and in still others upon actual occupation.

I submit that Canada has claim to our Arctic islands and waters by historic title and actual occupation. Any proposal that would limit the extent of territorial waters over which Canada should now actually assert and exercise her sovereignty would amount to an impairment of our territorial integrity. The validity of our established rights should not

be affected by the mere fact that the limits set on some bodies of water in our northern islands may exceed the maximum width of our territorial sea. These must be regarded by everyone as acquired or vested rights which cannot be claimed by any other country or given away by our government. I believe this is a sound fundamental legal principle that was established at the Law of the Sea Conferences held in Geneva in 1958 and 1960.

I believe, frankly, that there is likely to be more world support for an outright claim for sovereignty in the Arctic than for an oblique claim to sovereignty through pollution control which may well establish a widely applicable principle. It is now evident that this is one of the areas of concern of our friend and neighbour to the south. Although the intent of this bill to control pollution in our northern waters is desirable, I only regret that it has been introduced into this chamber in a cavalier manner without proper discussions and consultation with our friends in the United States.

• (8:10 p.m.)

The headlines in our newspapers emphasizing in unequivocal language the U.S. government's rejection of the Canadian government's position respecting our Arctic waters indicates the total breakdown within our External Affairs Department under its arrogant and incompetent minister. I find it hard to believe that the American people and their government are not as vitally concerned over establishing proper controls for preventing pollution of our waters as we are.

Scientists have been warning us of the dangers of pollution of the land, air and water, and doubts have been raised as to the very future of mankind unless we begin to show some respect for nature and the environment in which we have been given the privilege of life. These scientific facts have been made available to Canadians, to Americans and to all the people of the world, and the control of pollution is not a special Canadian problem but a worldwide problem causing worldwide concern. Machinery has been set up by man to deal with worldwide problems. Here I refer to the United Nations and to the International Court of Justice. What is happening? Canada, under this administration, has now become a lone wolf. We no longer recognize the International Court of Justice. We cannot be bothered to sit down and talk over our international problems with our friends at the United Nations because we obviously have alienated all of them.

Some hon. Members: Oh, oh!

Mr. Crouse: In fact, despite all the cultural, traditional and economic ties which we have with the United States, with all that should be going our way, we cannot even sit down and talk over rationally and sensibly with our American friends the need for establishing pollution control methods on Canadian territory.

What is happening in our External Affairs Department? Obviously, when the Prime Minister dictates the course to be followed, his puppets Punch and Judy, the Secretary of State for External Affairs and the President of the Privy Council (Mr. Macdonald), jump up and down and do his bidding. Our foreign policy is making this country a loner and is turning the world against Canada. It is having an evident effect internally upon this nation. All you have to do is look at the unemployment problems to realize the effect of some of our loss of external trade.

I would remind the government that a policeman is only a symbol of authority, a symbol which cannot keep law and order when mob violence rules, and by and large it is respect for the law which enables our police forces to retain law and order. It is for this reason that I suggest there should have been consultation with our international friends at the United Nations—if we have any—before we endeavour to put into effect pollution controls over our Arctic waters.

If our case had been properly presented—and evidently it has not been, for no international conference has been called since 1960 and ten years have passed during which this problem has not been debated or discussed with our international friends—hopefully there would be international respect for our laws and our position, making enforcement over this vast area a much simpler matter than may now be the case. After all, let us face facts. Irrespective of any pollution control laws which we may pass in this Parliament, those regulations could not have stopped the *Arrow* disaster and the resulting pollution which occurred in Chedabucto Bay in Nova Scotia. Neither will these laws prevent the accidental pollution of our northern waters or the waters off our Atlantic or Pacific coasts.

I suggest that if this were a reasonable government, having outlined their objectives they would not find it too late to discuss our proposals at the United Nations in the hope of securing some form of agreement to our

claims. This has been the course followed by most countries on international problems ever since World War II: agreement rather than state practice has become the accepted norm.

Mr. Macdonald (Rosedale): Mr. Speaker, would the hon. member permit a question?

Mr. Crouse: Yes, when I have finished my remarks, Mr. Speaker. When you consider the firmness of the U.S. position, you realize there is a very real possibility of a head-on clash the first time the Canadian Coastguard interferes with U.S. ships in what the United States considers are international waters.

The Arctic ocean has remained a great mystery until recent times, but the last two decades have witnessed considerable progress: the unknown ocean has become one of the most studied in the world and it is gradually revealing its secrets to scientists. The voyages of the submarines *Skate* and *Nautilus* have proved that the ice in our northern archipelago is neither uniform nor permanent. These submarines blazed a new, submerged northwest passage and when and if nuclear-powered cargo submarines are built the new route will cut 4,900 miles and 13 days off the route from Japan to Europe. There are, of course, certain problems involved in operating submarines under the ice, but these are gradually being solved.

So we need pollution control authority in our northern waters because obviously they will be used more in the future than they have been in the past. But I believe that in order to be effective we must have some international agreement to our proposals as outlined, if we hope to be credible in world courts. Unfortunately, Canada's official attitude toward the status of our Arctic waters has never been altogether clear. Over the years a number of government ministers, including two prime ministers, have stated that Canada claimed jurisdiction right up to the North Pole. In 1956, however, the Minister of Northern Affairs made it quite plain that Canada's sovereignty in the Arctic was limited to lands and territorial waters and that we have never subscribed to the sector theory in application to ice.

Except for an occasional rather vague statement to the contrary since that time, it appears that the official position expressed in 1956 by the minister responsible still represents the government's view. However, it is somewhat surprising to note that the official maps prepared and issued by the government continue to show the boundary lines of Canada as extending to the North Pole.

I believe it is time to end this anomaly. This can be done by the government issuing a clear statement indicating we have sovereignty over the Arctic archipelago, thus terminating many years of indecision on this important matter. By this action we would have nothing to lose and everything to gain.

We have a responsibility to our native peoples, the Indians and Eskimos who stand the risk of being exploited by commercial operators, before it can be said they have in any way benefited from today's enlightened society. If Canada does not assert its claim to sovereignty over the Arctic, these people will be exposed to exploitation which already disfigures the permafrost of their land and threatens to eliminate the northern wildlife upon which they depend for existence.

In my view, northern development must remain in Canadian hands and Canadian sovereignty over this area will guarantee our claims to these resources. There are many who say that the future of Canada lies in our northern areas, and if there are vast resources of oil, as exploration indicates, it is up to Canada and to Canadians to regulate the growth of this development. I hope, Mr. Speaker, that the government will do everything possible to make this Canadian development a reality.

• (8:20 p.m.)

Mr. Macdonald (Rosedale): Mr. Speaker, before the hon. member resumes his seat may I say that I was interested in his remark that since the war the international community had proceeded to establish international law only by way of mutual agreement. Does he recall the Truman doctrine which the United States used in making a unilateral claim over the continental shelf, and which ultimately led to agreement? How does that fit his theory?

Mr. Crouse: I am not sure I have followed the minister's question, Mr. Speaker.

Mr. Macdonald (Rosedale): The United States asserted a unilateral claim to the continental shelf. How does that fit in with the hon. member's theory that they proceeded only by mutual agreement?

Mr. Crouse: At the present time we are talking about Canadian sovereignty over our own territory, the northern archipelago, a section of this country which Canadians generally have assumed and which I certainly

have always assumed, even if the hon. gentleman has not, has always belonged to Canada. I have always felt that the islands in the archipelago and the waters between those islands belonged to Canada.

Mr. Borrie: That isn't what you said.

Mr. Crouse: That is exactly what I said in my speech.

Mr. Macdonald (Rosedale): I assume that is what the hon. member meant to say. I will read his speech with interest, and I suggest he should, too.

Mr. Crouse: Mr. Speaker, I hope these points will become clear. I hope that the division which obviously exists between the Prime Minister and the Secretary of State for External Affairs will be resolved, so that there will not be one statement made in this House and another one outside it on television, which is totally misleading to the Canadian people. This is why I am asking for clarification, simplification and a little bit of the truth so that all can understand the situation.

Mr. Macdonald (Rosedale): The truth of the matter is that you do not have any answer to my question.

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, in the past few days I have been reminded of history under totally different circumstances at the beginning of the First World War.

I refer to the situation in which Britain found herself when she had an agreement with France and the British cabinet was hesitating, after the German invasion of France and Belgium, as to whether it would adhere to that agreement. The French government sent notice after notice to the British government asking whether it would adhere to the agreement.

I think at that time Sir Edward Grey gave a classic answer when he said, "Britain will act in what she conceives to be her national interest." This, Mr. Speaker, is the reality of international politics, and this has been said many times since. I am sure some hon. members have read the book of Mr. Dean Acheson, the respected, long-time Secretary of State of the United States, who put the same thing in another way in saying that the object of foreign policy is the national interest. That is only common sense.

Now, Mr. Speaker, the Canadian government is acting unilaterally. It is acting in advance of international law. It is acting in what it conceives to be the national interest, and this is what it has a clear right and duty to do.

Some hon. Members: Hear, hear!

Mr. St. Pierre: Mr. Speaker, I hope that this government and all governments which succeed it will work for international harmony, will work to be on good terms with our neighbours and with all nations, and will work for the rule of law in international affairs.

But in all things, as has been said many times in this House, there are priorities. There is one priority which must apply to every Canadian government and it must override all others; that is, its first duty is to the Canadian national interest. On this legislation we are so proceeding. I welcome it.

I consider this legislation to be bold, to be imaginative, and to be progressive—not regressive but progressive. I predict that it will win the support of the world in the great forum of public opinion, informed public opinion, and in that respect later in these remarks I have a recommendation which I shall make to the government.

What is our reason? Our reason has been very clearly stated. International law in relation to the sea, made largely by shipping nations for shippers, has ignored and overlooked the rights of the third parties, the coastal states, and until international law develops to the required level this country is obliged to act unilaterally. The prime reason is the new and unexpected threat of massive pollution.

Yesterday, in company with a number of other members of this House, I was at Chedabucto Bay where a rotten old tub of Aristotle Onassis' sank and spewed more than half of her 3 million barrels of bunker fuel over some 1,200 square miles of Canadian waters and over approximately 80 miles of beaches.

I think we were all impressed, those of us who travelled the route yesterday, with the ingenuity that is being shown by those who are cleaning up the mess under the direction of Dr. Patrick McTaggart-Cowan. We saw a great deal of ingenuity exercised. We saw some remarkable co-operation among Canadian government departments, the Canadian armed forces and the American navy. In fact there was co-operation from almost everyone except, I understand, the shipping company involved.

Mr. Speaker, what appalled me there yesterday was not the extent of the mess. The

mess is bad, but in a few years it will be eliminated. I was impressed by the amount of scientific knowledge we are getting out of this incident, because this is cold water and we are learning lessons in that area which can be applied some day if necessary—I hope it will not be—in the Arctic.

I was impressed by the methods of cleaning up the mess, including one developed by a west coaster, I am proud to say, Mr. Richard Sewell, who has developed a machine called a slick-licker which has become one of the best proven methods of cleaning oil off the surface of water. But when I looked at all these operations, which are being conducted at great expense and with success, I could not see any one of them that could now be applied to a ship sunk in the ice in McLure Strait, or in Prince Gustaf Adolf Sea, or the Beaufort Sea.

Possibly in time they can be adapted to such a situation, but in my opinion—it is admittedly a layman's opinion—there is not one applicable to such action in the Polar pack. Let me remind hon. members that the Polar pack averages 9 feet in depth. It is in almost constant motion, from 1.2 miles to 4 miles per day, and these waters are in darkness for much of the year. Incidentally, the *Arrow*, Onassis' ship, grounded on a well marked reef, well charted, buoyed, in broad daylight.

Mr. Speaker, who can suggest that in circumstances such as these, when we face the prospect of oil tanker shipments through the Northwest Passage, this country can sit back any longer and wait for international agreement?

How long do we have to wait, and how hard to do we have to try to get it?

We tried in 1958. We tried in 1960. We tried last fall at the IMCO meeting in Brussels. Time and time again we have been faced with the fact that international sea law is primarily made by shipping nations for shippers and that the rights of the third parties, the coastal states, are not sufficiently recognized.

• (8:30 p.m.)

I can give many examples and I should like to draw to the attention of hon. members one which illustrates further that international law has not yet been able to perceive the danger of oil pollution. There are no regulations in international law affecting ships entering port. The regulations which may apply are to ships leaving harbour. Unsafe ships may be forbidden to leave.

In times past this was sensible because the primary interest was the safety of the cargo, the safety of the crew and passengers. Who could perceive, in the sailing ship days or even up to the time of the supertanker, that an incoming ship could pose a threat to a state? Except a ship of war, of course.

So, Mr. Speaker, Canada has moved unilaterally and has done so properly. We are opposed in this stand. We are criticized for it by the United States government—perhaps I should say specifically by the State Department. I should be interested to know what the United States Department of the Interior feels. As for the feelings of some Senators, notably Senator Stephens of Alaska, who could be expected to recognize such threats when he sees them, he is one who has publicly stated that he favours the Canadian action.

A speaker who preceded me suggested that we had obviously alienated all the nations at the United Nations.

An hon. Member: It must have been a Tory.

Mr. St. Pierre: I would draw to the attention of the House a statement made on Sunday night by Dr. Stavropoulos, the Undersecretary General for Legal Affairs at the United Nations. Mr. Speaker this statement was made on a CBC program called "Cross Country Checkup", and this excerpt is a transcription from the tape recording. Dr. Stavropoulos was asked if he thought the Canadian action in reserving our position at the Hague Court was particularly important and he replied:

> No, I don't think it is particularly important, I think it is particularly interesting. It is the first time we have a reservation dealing with pollution.

He was then asked about te Prime Minister's statement that international law at the present time was inadequate or imprecise on sea pollution. When asked if he agreed with this his answer was, "I would say yes." But he went on:

> I wish that this is the first step toward a general acceptance of the law, which can be very good for humanity.

There, Mr. Speaker, are the words of a man who thinks in global terms and recognizes the Canadian government's action for what it is, a progressive step, admittedly taken in our own interest primarily but nevertheless eventually of benefit to all the sea coast nations of the world.

Some hon. Members: Hear, hear!

Mr. St. Pierre: World opinion will support Canada in this matter, Mr. Speaker. Indeed, I would go further and predict that American public opinion will support us and that in a very few years the United States government will recognize the necessity for similar legislation in relation to its coasts off Alaska.

I said earlier that I would have a suggestion for the government. I think that Canada should not hesitate to make her position plain at home and abroad, and specifically in the United States. I am not suggesting at all that the Canadian government carry on some sort of propaganda action in the United States against that government: that would be an intolerable action and they would naturally object to it.

But there could be no objection, Mr. Speaker, to our embassies and other offices proclaiming the justice of the Canadian position with facts—facts on the danger we are facing, facts on the peril of a 300,000-ton spill of oil in the Arctic, facts on the danger to all humanity of damage to the Arctic. These facts should be repeated until our message gets through and until it is recognized that Canada is not just exercising a narrow chauvinism but a legitimate self-interest.

Indeed, this is not only in our own interest but in the interest of all nations and of our good friend and ally, the United States of America, our oldest friend. We have been their faithful ally, their best customer and I hope that the American people will remember this. The statements of the United States government have been rational, reasonable, friendly and frank, but I am afraid that the people might be misled by statements from irresponsible parties in that country in the next few weeks.

At this point, Mr. Speaker, I should like to stress again that it is not my aim to speak against the United States. I am not pouring trouble on oily waters.

Some hon. Members: Oh, oh!

Mr. St. Pierre: It sometimes happens, Mr. Speaker, that when a Canadian speaks for Canada he finds himself being criticized for speaking against the United States. But I am not speaking against the United States. However, following that I must say that the intransigent attitude expressed by the United States State Department has puzzled me.

Ample precedents for Canada's actions have already been mentioned in this debate; for instance, the United States government itself with its Truman doctrine of ownership of minerals on the seafloor of the continental shelf which later became international law.

Canada and the United States together have a regulation to check on incoming aircraft 200 miles off our coast. If we are to pay this kind of lip service to international law first, last and foremost, what is this? Is it a continuous and continuing violation of international law by Canada and the United States, or is it a legitimate self-interest and self-defence? I claim, Mr. Speaker, that it is the latter, just as this Arctic pollution bill is in the same category for Canada.

Hon. members will recall that the United States government protested in 1964 when Canada extended beyond the traditional three-mile limit an additional nine-mile exclusive fishing zone. But two years later in 1966, Mr. Speaker, the United States government adopted a contiguous zone of nine miles to add to the three-miles of her territorial waters in which she controlled fishing. In this same area there is a Senate bill on pollution which has since gone to a Congressional group of the House of Representatives and the Senate. I am referring to the old bill HR-4148 in which they applied pollution controls and other regulations not only to their territorial waters but to the contiguous zone.

I repeat, Mr. Speaker, that when our motives are better understood and when the intent of this legislation becomes clear to the world, other nations including the United States will introduce similar legislation for similar good reasons.

I am sure that everyone in this House hopes for an eventual international agreement binding on all nations, at which time the need for our unilateral action will disappear. Until that time, however, let us be clear, let us be positive and act as the government has acted in this case, in accordance with the recommendations made to this House by the parliamentary standing committee. I have mislaid my paper, sir, but the language of it was clear: it said that the Canadian government should immediately make clear to the world the necessity of a declaration of sovereign control to prevent pollution in the Arctic.

• (8:40 p.m.)

I should like also to support very strongly the suggestion of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who said he hoped there would be a recorded vote on this bill and that it would be passed

unanimously. I do not know if there is precedent in this House for a vote to be recorded when all are in agreement.

An hon. Member: Oh, yes.

Mr. St. Pierre: I am happy to hear that there is. I hope we follow this practice at the conclusion of this debate. Both the hon. member for Nanaimo-Cowichan-The Islands and the Leader of the Opposition (Mr. Stanfield) have stated that they are in favour of the legislation—in principle, of course. We can go further than this at this time.

I have read the bill with some care and attention. I would only say there are very few bills coming before the House which cannot be improved by a hardworking parliamentary standing committee, and I have no doubt that improvements can be made to this legislation.

Mr. Nesbitt: The government will not pay attention to them.

Mr. St. Pierre: The bill, I am happy to see, has brought strong support from two of the parties of the opposition; the third party at the moment is still silent. The Leader of the Opposition spoke of legislation association with this bill. He was speaking of the establishment of the 12-mile territorial sea limit. I agree with him, and I also agree with the hon. member for Nanaimo-Cowichan-The Islands that these two bills really are linked together and that we scarcely discuss one without the other. The Leader of the Opposition said this implies that we are abandoning our assertion to sovereignty over the waters we consider to be ours. In this I totally disagree with him. My opinion is quite the reverse and I should like to take a few minutes of the time of the House to review this matter.

What is the effect of the 12-mile territorial sea legislation which is to come before us later, and how particularly does it apply in the Arctic? Questions which were asked of the Secretary of States for External Affairs (Mr. Sharp) related to the drawing of baselines from which the 12-mile territorial limit could be extended. The question is, of course, where are these baselines to be drawn? If they were drawn from headland to headland they would be in accordance with the Norwegian decision in the international court of 1954. Would they be drawn around the perimeter of the Arctic islands? The Norwegian decision is, I suggest, crucial in this matter. It had to do with the surrounding of a smaller archipelago by baselines at the northern part of Norway.

In the subsequent dispute before the world court a dispute which resulted at the conclusion of that hearing in a Norwegian victory, it was established that baselines could be drawn not only from mainland to island but from island to island, including small islands. In the Norwegian decision some of the baselines are as long as 44 miles.

The question is, Mr. Speaker, how much farther might we extend baselines in the Arctic? If we were to enclose the entire outer perimeter we would in one case at least, in the case of such a line stretching from Prince Patrick to Banks Island in the McClure Strait, have to draw a baseline of 120 miles. Could we successfully sustain this in the world court, bearing in mind that it has been announced in this debate that Canada is fully prepared to go to the world court and defend her declaration of a full 12-mile territorial sea limit? I do not know the answer to this, Mr. Speaker, and neither does the world court which is not now seized of it.

I would draw the attention of the House to an associated matter. The purpose of our establishing control in the Northwest Passage is, to my mind, primarily this: we wish to control pollution and bar the passage to tankers which we consider to be dangerous. We have an interest in this. I do not think that any member of the House has suggested seriously that Canada would deny innocent passage to ships on any occasion, provided that passage was truly innocent, and this would apply not only to our territorial waters but also to our internal waters.

May I next draw to the attention of hon. members of the House the four small islands between Prince of Wales and Bathurst Islands; they are Garrett, Lowther, Young and Russell. That sounds like a firm of lawyers. The distance between these islands is less than 24 miles, well below the maximum limit of 44 miles in the Norwegian decision. By any rule current in international practice, the territorial waters of Canada would extend completely across the Northwest Passage in the Barrow Strait. I do not suggest that this is sufficient authority, but I suggest it would back the government in its statement that the waters between the islands are Canadian.

In all common sense, sir, let us face this fact: we are attempting to make new law in our establishment of Arctic pollution control measures contained in this bill. We are extending our authority, although no further than 56 other nations, in this 12-mile ter-

ritorial sea bill. Let us be sure that we retain in that bill the advantage which geography gives us. Let us extend the territorial waters across a portion of the Northwest Passage. And one gate in that passage, Mr. Speaker, is worth as much as ten gates when ships want to pass through from one side to the other.

As to the requirement that we permit innocent passage, I do not think Canada has anything to fear from adhering to the rule of innocent passage. Innocent passage is not extended to a ship which offers a threat to the peace or good order of the coastal state involved. A supertanker in the Northwest Passage, carrying 25 times the amount of oil we have been cleaning up in Chedabucto Bay as a result of the spill,—25 times, Mr. Speaker,—which is in a dangerous condition would clearly, in any international court, be treated as a threat to the good order of this nation.

Yet the United States' position is that we should not have this. The United States position has been stated quite recently by Hon. John R. Stevenson, who is the legal adviser to the Department of State. I will not read the whole of his remarks; there is not time and my time is running out. In essence he states that the United States position is that through any archipelago there ought to be a high seas passage. In terms of our Arctic archipelago, Mr. Speaker, this simply does not make sense. Can any hon. member of the House conceive of our permitting a high seas passage through the Northwest Passage of a piece of junk like the *Arrow* which sank in Chedabucto Bay?

• (8:50 p.m.)

I wish to refer to a couple of the statements made by the Leader of the Opposition—one in particular. He asked what the intentions of the government are with respect to enforcement of our Arctic pollution control zone. That is a good question and I wish to deal with it briefly. We may not do anything. We must recognize the possibility that Panarctic may never discover oil in the Arctic, the Baffin iron ore deposits may never be open, or the nickel deposits on the mainland or numerous other deposits. The Arctic may go back to sleep for another 50 years. It slept before and it may sleep again. But I do not believe this will be so. Personally, I believe that the Arctic maiden is finally awake. Our duty is to ensure that she is not raped.

In answer to the question raised by the Leader of the Opposition, I suggest there are three things that can be done immediately. One is research. We are gaining some valuable data from Dr. Cowan's work at Chedabucto. We need research in the Polar pack. We need knowledge as to what the perils are and how they can be overcome. It is the primary duty of this nation to carry this out. In accepting and claiming new responsibilities in the Arctic, the Canadian nation must accept new duties. That is one of them.

Navigational aids are another matter. We should look forward to that, assuming that passage proves economically feasible for either ore carriers or oil carriers. At the very least we should install a Decca system. Five Decca stations can be built at an estimated cost of $10 million—a very modest amount. We must provide these and other services.

I assume that the Arctic is going to continue to grow. I believe it is going to become an extremely important and productive part of this nation. Even though it will involve considerable expense, we must build a modern ice-breaking fleet. At the moment half a million dollars is being spent by the government on the design of one such ship. I do not know what the total cost would be of building ships far above the class of the *St. Laurent*, ships with at least 80,000 horsepower which would be capable of handling the Polar pack even in the open Beaufort Sea. Possibly a fleet of two or three would cost an estimated $200 million or $300 million. We owe a duty to ourselves and to other nations in the Arctic to be prepared to spend this amount of money. Let us do it cheerfully.

In conclusion, I congratulate the government without reservation on the principles which are expressed in this legislation. I thank hon. members for their attention.

Mr. Nesbitt: Mr. Speaker, I wonder if the hon. member who has just spoken will permit a question. Just before the hon. member concluded his remarks he said he was going to deal with the question of how the government would enforce the new pollution regulations inasmuch as we have declared ourselves as sort of outlaws, outside the field of international law in this regard. I was listening attentively to what the hon. member had to say, but he dealt with another subject. I wonder whether he forgot to continue his remarks as to how we would deal with a country or a ship that would not obey our regulations.

Mr. St. Pierre: I suggested we provide the services in the case of the Decca system. As the hon. member knows, Canada is not a signatory—is the hon. member listening?

Mr. Nesbitt: I am trying to.

Mr. St. Pierre: As the hon. member undoubtedly knows, Canada is not a signatory to the convention which requires us to provide free Decca service. We can charge ships for providing icebreaker services. Without it, ships may be left stuck, such as was the case with the *Manhattan* yesterday or the day before. It had to be broken free by the *John A. Macdonald.*

An hon. Member: The *St. Laurent.*

Mr. St. Pierre: I am sorry, the *St. Laurent.* This is a part of the exercise of sovereignty.

Mr. Nesbitt: A supplementary question, Mr. Speaker. What does the government plan to do if a ship of one of the major powers of the world, such as the Soviet Union or the United States, said it would not pay any attention if one of our pollution officers wished to go aboard? What will we do? Will we shoot at the ship? That is a very practical question, and I should like to know the answer.

Mr. St. Pierre: What would the hon. member suggest we do if American troops marched into Saskatchewan? That question is about as sensible as the hon. member's.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I do not propose at this stage of the debate to enter into the area of the question just asked by the hon. member for Oxford (Mr. Nesbitt). However, I overheard a suggestion that we have had a little bit of experience in the matter of enforcement of our authority on the sea with respect to our fisheries legislation. If the hypothetical situation which the member is trying to provoke in his line of questioning does develop, undoubtedly this Parliament will be convened. If such a major emergency as the member is trying to conjure up does develop, we will debate the situation when it ceases to be hypothetical.

At times I am rather surprised at members of the official opposition, such as the hon. member for Oxford and the hon. member for South Shore (Mr. Crouse). I intended to make reference to him in my remarks. The member for South Shore, for whom I have great admiration and who is a hardworking, diligent member of this House, seems to get cold feet and the jitters at certain stages of important and crucial discussion in the House.

Mr. Nesbitt: We just want to know what they are going to do.

[Mr. St Pierre.]

Mr. Barnett: An example of this was the attitude taken by the hon. member for South Shore during the debate on the territorial sea and fishing zones. I thought at the time that the Canadian government was being far too timid and afraid in exercising its proper jurisdiction in being responsible for the welfare of the Canadian nation in the world in which we live. As the matters stand at the moment, I am much happier with the stance the government has now taken than I was at the time of the debate on the fishing zones and straight baselines in 1964.

There are two aspects of the debate in which we are engaged. I feel this is one of the more significant debates that will be entered upon in the Canadian Parliament for some time. This bill is merely one facet of a debate which will carry into two or three other pieces of legislation that are either on the Order Paper or which have been announced by the government. There is the international debate and the internal debate as to the actual content and substance of the bill we have before us, regarding which we can only touch on a few highlights at this second reading stage.

• (9:00 p.m.)

At the present time, the international debate appears to be confined to exchanges between ourselves and our neighbours to the south: we all regard them as our friendly neighbours. It is important that we examine the bill in the terms of the attitude which the Canadian Parliament, on the one hand, and the government of the United States on the other, are taking toward it. As hon. members know, the subject matter was discussed in advance by the committee on Indian Affairs and Northern Development. The discussion is summarized in the committee's report which is still awaiting disposition; a motion with regard to it is at present on the Order Paper.

I felt that in participating in this debate I should discuss the bill in both its international and its internal aspects in relation to the report which the committee has placed before the House. The motion that the report be placed before the House was made, in its present form, by the hon. member for Churchill (Mr. Simpson), perhaps a bolder colleague of the hon. member for Oxford, and the hon. member for South Shore.

I should like to draw attention to the contrast between the comments made by the United States and the views expressed by my leader this afternoon. I will use as a founda-

tion a report which appeared in the *Globe and Mail* of April 16. This follows the text of Wednesday's *Hansard* reproducing the bulletin put out by the United States Information Service:

> If Canada had the right to claim and exercise exclusive pollution and resources jurisdiction on the high seas, other countries could assert the right to exercise jurisdiction for other purposes, some reasonable and some not, but all equally invalid according to international law.

Some of the submissions which were put on record this afternoon by my leader makes it clear that what is valid and invalid under international law is not so lightly to be summed up as it is assumed in this statement from the United States. The hon. member for Coast Chilcotin (Mr. St. Pierre) referred to this during his speech and it is pertinent also to the question asked by the hon. member for Oxford. In the long run, whether or not we can assert the jurisdiction which this bill proposes to assert will depend on whether, in the eyes of the world community, this is a reasonable extension of our authority or not.

I submit it is a reasonable extension of our authority. This is a view already expressed by the standing committee of this House particularly charged with the subject matter which has been brought before us today in the present bill. This is really the area of debate in which we are engaged with the United States at the present time. I maintain the government has leaned backward in seeking not to go beyond the bounds of reasonableness in asserting our jurisdiction. The posture taken is much less positive than that taken by the committee and reflected in the report which was unanimously adopted by its members. I should like to quote from page five of the committee's first report, where it is stated:

> Your committee is unimpressed with arguments that adequate pollution safeguards could be effected by international agreement. Not only has progress towards international accord on maritime pollution control been extremely slow, but serious doubts are now being expressed by reputable scientists that present proposals for such international pollution control are adequate even for the world's temperate waters. As desirable as international maritime pollution control would be, the delicate balance of nature in the Arctic can only be protected by a more stringent set of pollution controls than anything that has been proposed internationally to date.
>
> Your committee rejects the suggestion that an international waterway exists through the Canadian Arctic archipelago.

In other words, the committee asserted our sovereignty over these waters in advance of the government. Further on, the report reads:

> The waters of the Canadian Arctic achipelago lie over the continental shelf; the Arctic Islands and the continental shelf are a geological extension of the Canadian mainland and the North American land mass.

I submit that the report of the committee and the position taken by the Canadian government are so eminently within the bounds of reasonableness that the United States, even though it may at the moment be adopting an attitude contrary to the one we have chosen, will eventually recognize the logic of the Canadian position and recognize that it is not only in Canada's interests but, in the long run, in the interests of the United States as well.

Mr. Speaker, I should like to spend the rest of the time available to me dealing with what I have called the internal debate, speaking as a member of the committee, as one who was concerned with the drafting of the report and also as one who has spent some time examining—as have many other hon. members—the terms of the bill before us. I should like to refer to the clause which is entitled "The application of the act". Earlier this afternoon I asked the Minister of Indian Affairs and Northern Development (Mr. Chrétien) whether he would make available to us maps or charts outlining in graphic form the area encompassed by this bill. I should like to quote briefly from the definition in the clause to which I have referred.

• (9:10 p.m.)

> —the area enclosed by the sixtieth parallel of north latitude, the one hundred and forty-first meridian of longitude and a line measured seaward from the nearest Canadian land a distance of one hundred nautical miles; except that in the area between the islands of the Canadian arctic and Greenland—

That is not the part with which I am concerned. It goes on:

> —where the line of equidistance between the islands of the Canadian Arctic and Greenland is less than one hundred nautical miles—

I note that at no point in this definition is any reference made to what might or might not be done about the establishment of baselines. The hon. member for Coast Chilcotin, I think it was, referred to something of this in his remarks and it does raise the question as to what kind of area we are going to enclose. If one measures 100 miles from the nearest Canadian land, just what does that mean

when one is thinking of an area on the map where the name "McClure Strait" is printed? This is an important consideration that could fruitfully be clarified, so far as the government's idea is concerned, prior to the second reading of the bill.

I suggest that the thinking of the government on this point could best be served by giving the House a picture of what they have in mind. We all like to look at maps and pictures and I am sure that the minister of Indian affairs could produce a very interesting portrayal, if he would. However, it should be obvious both to the government and to the minister that once this bill goes before the committee this will be one of the first and perhaps most pertinent questions which will be raised. I doubt very much that the committee will be satisfied to report the bill back to the House until there has been a pretty specific clarification of just what is the intent of the bill on this particular point.

Mr. Chrétien: It is 100 miles from the coast; that is quite clear.

Mr. Nesbitt: The hon. member is getting curious too, I see.

Mr. Barnett: I have never attempted to deny that I have an insatiable curiosity which might exceed even that of the hon. member, though our interests might run in different directions at times. However, we will get to this in the committee. I thought I heard the minister say something about 100 miles from the coast. This is the very point. How far does it go when there is no coast? I think the minister understands perfectly the concern that members of the committee, and I think all members of the House, will have in regard to what happens about baselines in the Arctic under this piece of legislation.

There is one other aspect of the internal debate to which I should like to refer, and this has to do with the administration of the act. I refer to the pollution prevention officers and to the clauses that provide that the Governor in Council may make quite a long and complicated series of regulations under the authority of which the pollution prevention officers will operate—their terms of reference. In other words, I think a legitimate concern of the members of this House is just what kind of tools the government are going to give these pollution prevention officers to enable them to do their job.

I suggest that if one is thinking purely in terms of the regulation of shipping and the development of ways and means for vessels to navigate the Northwest Passage, this is the relatively simple part of the job. There is available knowledge of ship engineering and design, of mechanics and the technology of navigational aids for this to be done. I think that we have this kind of basic know-how, though obviously there is some exploratory work to be done in the application of that technology to the particular situation in the Arctic. The experimental voyage of the *Manhattan* last year, and again this year, is also bringing some additional knowledge to this area.

As the hon. member for Coast Chilcotin said, even though this may be a fairly expensive aspect of the Canadian commitment and responsibility once this bill becomes law, nevertheless I think in many ways it is the least difficult part of the administration of the act. I think a much more complex aspect of the act dealing with pollution prevention officers and the terms of reference under which they will operate relates to the clauses of the bill that refer to the regulation of economic resource exploitation in the Arctic, and the clauses that deal with the matter of control and disposition of waste deposited by ships.

I was rather intrigued by that phrase in the bill, because while seafaring people have spoken affectionately of ships in the feminine gender, giving them a personality, nevertheless a ship is not in my view capable of taking the conscious action of depositing something. I suggest this is done by the people on the ship.

To use the phrase in the bill which refers to the control and disposition of waste that may be deposited by ships, I suggest this will be an aspect of the administration of the act that will be most challenging, one in which the biggest job will have to be done, under the initiative of the Canadian government, if this legislation is to be meaningful and if, as the hon. member for Coast Chilcotin said, Canada is going to live up to the duties and responsibilities that the passage of this legislation will entail.

On this aspect of the matter I would again refer to the report of the committee, because I think it is important to put this particular part of the committee proceedings in the context of the debate on this bill at second reading stage. I should like to indicate to the government the committee's assessment of what the situation is and what is required to

be done. At page 8 of the committee report there appears the following paragraph:

> The committee was unimpressed with efforts made to pinpoint the exact location of the Pan Arctic barge sinkings which might have permitted ascertaining any subsequent oil pollution and would have provided useful scientific data on the dissipation rate of substantial quantities of diesel fuel in low temperature water and more important, information on the effect of the oil on the marine life of the waters affected.

Note this passage, Mr. Speaker:

> The interdepartmental committee which was established by the government, to deal with water pollution disasters after the Santa Barbara incident, did not bother to send a representative north to investigate the extent of the oil pollution resulting from the barge sinking. In your committee's view, the attention which the interdepartmental oil pollution emergency committee gave to the barge sinking incident was totally inadequate and unsatisfactory.

I cite this as the view of the committee as to how inadequate is the present activity of the government in this area in relation to the kind of responsibilities that will be imposed upon pollution prevention officers under the terms of this bill. At page 9 of the committee proceedings the report of the committee reads:

> Your committee is of the opinion that there is a serious lack of knowledge, worldwide, as to the destructive effects of hydrocarbons and particularly as to the effect of hydrocarbon pollution in Arctic waters.

The committee goes on to recommend that appropriate agencies of the government move immediately to conduct research in the Arctic to gather information on the whole question of dealing with hydrocarbons in cold waters, on the toxicity of various hydrocarbons to plant and animal life, and on methods for control of oil spills.

• (9:20 p.m.)

It may be true that we are garnering a certain amount of knowledge and information from the emergency situation at Chedabucto Bay, but this certainly was not in the minds of members of the committee as the sort of thing that should be involved in the research they proposed. If we are to move seriously toward enabling ourselves to control pollution from possible spills of waste from ships or as a result of economic resource exploitation either in the petroleum field or, for that matter, in the mining field in the Arctic, I feel the government should heed the recommendations contained in the committee's report.

The committee goes on to say that it recommends continued research by the Department of Fisheries and Forestry to establish the extent of the fisheries potential of Arctic waters. This matter was raised by some members of the Committee on Fisheries and Forestry the other day when we had before us officials of the Fisheries Research Board. The questioning by members of the committee made quite apparent that the Fisheries Research Board of Canada has a mere pittance allocated to it for research work on marine life and the whole potential of the Arctic fisheries resources.

I submit that if this bill is to mean anything, if on its passage it is to result in something that will gain recognition of Canada in the international community, if it is to contribute to the evolvement of international law of the sea, and if Canada is to enhance rather than weaken its position in the international community as a result of pioneering this type of legislation, the government of Canada will have to take seriously the recommendations the committee put forward unanimously in its report and will have to bring before this Parliament suitable proposals for the spending of necessary funds in order to carry out this type of work.

If this is not done, I suggest the passage of this bill will be a mere echo of fine words. If that should be the situation it would be highly desirable that the Arctic go back to sleep for another 50 years, as the hon. member for Coast Chilcotin suggested it might. Unless we are prepared to tackle this job, the Arctic would be much safer asleep than awake, with the kind of activity the industrial age and the industrial attitudes of the inhabitants of the North American continent will impose on it.

I am inclined to share the hope expressed by the hon. member for Coast Chilcotin that the Arctic will not go back to sleep. But unless the government of Canada is prepared to put much more muscle into its activities, in the fields which have been highlighted in the committee's report, than so far it has indicated it is prepared to do, I submit that perhaps we might as well forget about all this talk of pollution control in the Arctic.

Mr. Nesbitt: I am glad to see you finally agree with me.

Mr. Barnett: I conclude, Mr. Speaker, by referring to the remarks of the hon. member for Oxford, who is so interested in my remarks, when he implied that as a solution we simply develop a large Canadian navy and

put it around the Arctic islands to make sure no ships go near there. This is not a solution which I am sure even he—

Mr. Nesbitt: On a question of privilege, Mr. Speaker, fun is fun but when the hon. member for Comox-Alberni (Mr. Barnett) gets to the point of distorting my remarks and putting in my mouth words which were not implied, it is a little too much.

Mr. Speaker: Order, please. It may be too much, but it is not a question of privilege. The hon. member for Comox-Alberni (Mr. Barnett).

Mr. Barnett: Mr. Speaker, I have concluded my remarks.

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, if there is a difference of opinion among the opposition members I know one of the government members would like to intervene to settle any difficulty which may exist there. This has been a reasonably amicable day. It is heartening that apart from certain technical criticisms, there exists in the House widespread support for Bill C-202.

I must meet one criticism that was made earlier this evening by the hon. member for South Shore (Mr. Crouse). He suggested that Canada had lost its position of prestige in international affairs and that we had not been sufficiently co-operative in matters related to protecting the world environment. At least, the implication was there that we had avoided opportunities to co-operate at the international level. I can tell members that no nation has fought more earnestly to undertake useful initiatives to protect the world environment than has Canada. I do not think a statement attacking Canada's reputation abroad is a useful one to introduce in this debate.

Canada, however, I think is somewhat frustrated. The United Nations Economic and Social Council report entitled "Problems of the Human Environment" outlines very well the situation which exists in the world today in respect of pollution of the sea. This is the source of our frustration. I quote as follows from page 15 of this document which was tabled at the last session:

> Pollution of the sea is a continual threat to its future productivity. Although the International Convention for the Prevention of Pollution of the Sea by Oil has been in existence since 1954, oil pollution remains a major concern, and other forms of equally damaging pollution continue with little or no control.

This is the source of Canadian concern and frustration. No nation has been more willing to co-operate at the world level to accelerate the process of developing her national standards. But when the United Nations itself admits failure and an inability to develop these standards, and when the ecology of the Arctic is in serious danger, Canadians cannot remain, as Churchill said, supine and silent while the destructive process goes on. At page 64 of this report we have the great hope held by U Thant. This is what he said:

> The control of pollution in marine environment raises problems of legal nature such as measures which States can take outside their territorial seas in self-protection against pollution—

This is a recognition by all nations that this question has to be dealt with by nations of the world. The report continues:

> —liabilities arising from casualties involving discharge of oil or other pollutants, powers of surveillance by coastal states to implement measures for improving the safety of navigation and controlling maritime pollution.

• (9:30 p.m.)

Then it tells us about the convening of the conference to be held at Brussels from November 10 to 28, 1969, with a view to adopting conventions on both the private and public law aspects of these problems. Canada was one of the most co-operative nations in the world to make the Brussels conference a success. The conference was not a success; it was another in a series of frustrations experienced by Canada and other nations with serious threats to their maritime ecology.

But let no one in any section of this House suggest that Canada has not made an earnest endeavour to inspire international concert to meet this problem of pollution and the protection of the environment. No nation has made a greater contribution at the United Nations to suggest ways in which the resources of the sea can be developed for the benefit of all mankind, and it is to the honour and credit of Canada that this has been done.

The hon. member for South Shore should not have made the statement he did. The need for legislative action to protect the delicate ecological balance in the Arctic has been treated very eloquently this evening by my colleague the hon. member for Coast Chilcotin, who I thought made a splendid contribution to this debate. But some very useful remarks have been made by opposition members as well.

Recent pollution catastrophes have served to emphasize the pressing need for stringent anti-pollution measures on all of Canada's

coasts, not merely on the Arctic coast but, perhaps because of its unique ecology, particularly on our Arctic coastline. As the hon. member for Coast Chilcotin stated, yesterday some of us had an opportunity to visit the site of Canada's recent pollution crisis. Certainly one factor emerged—that very little scientific research exists to assist this or any other nation to combat a major oil pollution catastrope, especially should that pollution occur under subzero conditions.

When the *Arrow* foundered on our east coast, the fact of the matter is that Canadian science had not one single precedent to assist us in meeting that serious pollution crisis. It is to the credit of Canadian scientists from coast to coast, and members of our armed forces, that such a splendid job was done. But let no group of scientists be ever faced with that kind of problem again. The team of scientists and defence personnel who won the victory at Chedabucto Bay would have found it impossible to win a similar victory in Canada's far north had a mammoth supertanker been crushed in the ice, a tanker carrying not three million gallons of bunker-C but 75 million gallons.

I was in New York when the *Manhattan* came back from her historic visit to the Arctic. All of the New York tugs welcomed her. Not much mention was made of the role of the *John A. Macdonald* in all of the speeches of welcome that were delivered. But when placed in drydock it was soon determined that had the *Manhattan* been carrying oil in her tanks instead of test-run water, the result would have been very different. There were two large holes below the waterline in the cargo tanks, and one hole would have accommodated a large truck, and yet the voyage was termed a resounding success.

Had there been oil in the tanks of the *Manhattan* instead of seawater, there would have been serious ecological damage in our Arctic. Surely our friends in the United States who suggest they are not prepared to recognize our proposed claim of Arctic jurisdiction for the urgent and critical purposes of pollution control must realize that some of our concern at least stems from this incident, as well as from oil pollution caused by their numerous recent drilling accidents on the west, the east and the Gulf coasts.

The Americans have acted to protect themselves from further catastrophes. They have recently adopted a law calling for unlimited liability in cases of wilful negligence, plus fines of $100 per gross ton up to a maximum of $14 million for even accidental spills. We must logically and understandably act in an even more critical area. American losses have been mainly affecting the leisure industry and the shrimp and oyster beds. There are fewer sandy beaches in Santa Barbara, and Louisiana shrimps will not be in as good supply this season.

The Americans are logical people. Apart from official policy pronouncements, undoubtedly they recognize Canada's need to protect the entire Arctic archipelago with its hundreds of thousands of square miles of surrounding sea and ice as a region into which ships should venture only under strict pollution controls.

It should be recalled that there is reason for Canadian concern. A spokesman for Standard Oil stated, as the *Manhattan* completed her maiden voyage in New York:

> We may well see 25 to 30 supertankers operating across the top of the continent during the 70s, and if Arctic oil can be shipped in quantities through the northwest passage, so can iron, zinc, lead, copper, nickel and asbestos. They are only to be unearthed and delivered. The sleeping Arctic could become a very busy place.

I quote from the *Congressional Record* what a member of the United States House of Representatives said the other day:

> Imagine a nation with our maritime history... being forced to rely on a foreign-flag icebreaker for the completion of the *Manhattan* project. We appear to be on the threshold of a dramatic breakthrough for commercial carriage in the Polar regions. Thus it is imperative that we establish and maintain a responsive icebreaking capability.

Congress has now authorized a start by the U.S. coastguard on the construction of the most powerful icebreaker fleet in the world. The first ship will cost $59 million and it will be twice the size of the durable, hardworking *John A. Macdonald.*

Canadians are concerned about what might happen to a tanker that breaks up in the Arctic. We should be concerned. Not only is more oil being moved by sea each year but the size of oil tankers has also increased. The average tanker used during World War II had a capacity of 16,000 tons. By 1965 that average had risen to 27,000 tons, and a new tankers delivered in 1966 averaged 76,000 tons. A Japanese company has launched a 276,000 ton tanker, and other Japanese yards have orders for tankers as large as 312,000 tons. More than 60 tankers of 150,000 tons or more are on order throughout the world; tankers of 500,000 to 800,000 tons are on the drawing board, and those of more than one million tons are thought to be feasible. On the new

1,010-foot British tanker *Esso Mercia* two officers have been issued bicycles to help patrol the decks of the 166,890-ton vessel. If they build that million-ton tanker, they will be buying them automobiles!

The size of the tanker fleet itself is growing at a rate that rivals the growth in average size of new tankers. In 1965 it had increased to 3,500, and in 1968 it numbered 4,300 ships. At the present time nearly one ship out of every five in the world merchant fleet is engaged in transporting oil, and almost the entire fleet is powered by oil—yet some people question why Canada is concerned about the movement of ships of this size through our Arctic waters.

Is it really suggested that we should do nothing about pollution while plans are being evolved which would see massive tankers carrying potential pollutants across our northern seas? Indeed, the tanker danger in the Arctic may be so great—and I believe this—that no economic benefits can justify it.

Mr. Alkenbrack: Let us build a pipeline.

Mr. Perrault: Perhaps we should not have tankers travel there at all and we should insist that oil go out by pipeline. The Canadian people—and this is not restricted to one party—are determined to guard the Arctic ecosystem, its people, fauna, flora and the delicate balance among them from the disaster from a calamity such as a supertanker's oil spill.

• (9:40 p.m.)

Our friends in the United States insist that they, too, are concerned about "the dangers to marine environment and the absence of international guarantees to protect against pollution." But surely it is fair to suggest that there have been serious shortcomings in all programs, including the American program, to combat pollution. Significant oil spills have occurred in the United States alone with increasing frequency—180 in 1968, 192 in 1969, and 61 to March 1, 1970.

Surely any government of Canada would be remiss in its responsibilities to the people of this country if it procrastinated with respect to Arctic pollution control, and instead waited for other nations to establish international precedents which might eventually result in a body of international law which might again, at some vague, indeterminate future date, form the basis for a decision by the world court. Surely the Arctic is an area where Canada, of all nations, must develop and create its own precedents. The initiative lies with us. The measure before us would provide some of the world's toughest pollution penalties, and so it should.

While the Leader of the New Democratic Party (Mr. Douglas) delivered what I thought was a useful speech today with reference to the subject of international law, it was indeed disheartening to note the nature of the opposition criticism directed toward this government by the deputy leader of that party. He stated on April 8, 1970, as recorded at page 5624 of *Hansard:*

> —it is obviously extremely regrettable that the government of this country, a government which has a position of some importance in the international family, should find it necessary to reduce the extent to which Canada is ready to submit itself to the rule of international law.

He continued:

> If every country in the world, every country of the United Nations, were to reduce the sphere in which it would be internationally bound every time it is faced by a matter of national interest, pretty soon the whole concept of the International Court and, indeed, of the United Nations itself, would be dead and buried.

Of course this kind of statement is palpable nonsense. The Prime Minister (Mr. Trudeau) has stated in the House of Commons that Canada strongly supports the rule of law in international affairs and that Canada is prepared to participate actively in multilateral efforts, as it has already, to develop agreed rules on environmental and fisheries protection; but that Canada is not prepared to engage in litigation with states on vital issues where existing laws are either inadequate or non-existent and thus do not provide a firm basis for judicial decision. As the hon. member for Coast Chilcotin has pointed out, such custom as does exist leans without any question in favour of the world's shipping companies, with little or no reference to pollution and that this, to Canada and its Arctic in 1970, is an intolerable situation.

So we have submitted, and quite properly, a reservation to Canadian acceptance of the compulsory jurisdiction of the International Court of Justice relating to those areas of the law of the sea which are underdeveloped or inadequate. I suggest that in spite of these reservations the hon. member for York South (Mr. Lewis) should confer with his leader and be reminded that Canada's acceptance of the compulsory jurisdiction of the International Court of Justice remains much broader than that of most other members of the United Nations. It is to be regretted that the hon. member for York South was not in the cham-

ber today to hear his leader's speech. The deputy leader of the New Democratic Party need feel no embarrassment about Canada's position regarding that court, nor should he nor anyone else feel apologetic about the constructive role that we have played and continue to play at the United Nations.

Surely, Mr. Speaker, there is something quixotic about the position of the hon. member for York South. The other day he urged support for what he termed "the rule of law in international affairs." He accused the government of "hypocrisy in international affairs." Yet today his leader expressed opposition to world court intervention and made a compelling case for unilateral action by Canada.

Today, also, in another display of verbal acrobatics the Leader of the Official Opposition (Mr. Stanfield) expressed general support for Bill C-202 after criticizing the government in his initial statements. In January he accused the government of being dilatory, of lacking resolution, and I recall that he said the government "lacked old-fashioned guts." The challenge was issued to stand up and unilaterally declare our sovereignty over the Arctic. But after the government acted on April 8 to introduce two bills, one relating to pollution and the other to Canadian territorial waters, the hon. gentleman from Halifax who was a militant hawk in January became the dove of April. He criticized the government for failing to submit the matter to the International Court of Justice. There were no emotional appeals for old-fashioned guts. Here are his words:

> We must recognize that it constitutes a serious step, a step hardly in the right direction, for Canada to reduce the jurisdiction of the International Court of Justice—

He questioned the wisdom of taking this action—

> —in an arbitrary manner without... giving an opportunity to the members of this House... to express their views on this matter before the adoption by Canada of a position with regard to the jurisdiction of the court.

His words are to be found at page 5624 of *Hansard*. It is encouraging that today he expressed support for the pollution measures but mentioned only in passing his view that we should act through the world court. Most of his opposition was to Bill C-203 which, he told us, actually serves to limit Canadian sovereignty in the north. The allegation is spurious; indeed it is mischievous. Both measures will advance substantially Canada's claim in the Arctic.

Mr. Aiken: Will the hon. member accept a question?

Mr. Perrault: When I have finished my speech I will be glad to do that. If you will just listen to the burden of my argument, perhaps I can convert you.

Mr. Aiken: It is a burden all right.

Mr. Perrault: We were told today and on other occasions that we should declare our sovereignty immediately and not wait. Opposition leaders have been calling for a "ringing declaration of sovereignty." Those are great words for the hustings. Those who advocate a dramatic unilateral proclamation of Canadian sovereignty urge a policy which is far from simple.

Today, Canada's statements on sovereignty over the years were chronicled very well. Among other statements about our sovereignty was one made by Alvin Hamilton. He made a ringing declaration about Canadian sovereignty in 1958, but now we have the official opposition demanding again that we make another ringing declaration of our sovereignty over the Arctic. This just indicates how effective the Hamilton declaration was. The problem is not how to proclaim Canadian sovereignty, but how to get other nations to admit to our claim. Words are meaningless. Actions which create precedents are meaningful.

Surely those who advocate reference to the world court should be reminded that the notice to the United Nations, known formally in international law as a reservation to Canada's acceptance of the compulsory jurisdiction of the international court, had to be sent before the bill was tabled. Unless Canada had given notice to the United Nations in advance of the tabling of the legislation, it would have been tied up by any international court ruling arising from an unexpected American challenge to the bill. This is how unrealistic was the initial suggestion from spokesmen for the opposition parties.

Those who want to place the fate of Canada's Arctic ecology and Arctic sovereignty in the hands of a world court without sufficient precedents to render a sound decision perform a notable disservice. No government need accept the jurisdiction of the world court. An exception lies in the so-called optional clauses by which some states agree to accept the jurisdiction of the court in disputes with other states which have likewise agreed to accept the jurisdiction of the court.

Despite the statements made by the hon. member for York South and by the Leader of the Official Opposition, only one-third of the United Nations members have signed the optional clauses and less than a third of that third have signed without some sort of reservation. Only 45 of the 126 member states of the United Nations have accepted some measure of compulsory jurisdiction by the international court. Only 13, technically, place no limitations on that jurisdiction, yet even among that 13 some limitations exist. Eighty-one nations have not filed declarations of acceptance of compulsory jurisdiction by the international court. Canada was not among the 13 before this week's action—we already had reservations.

• (9:50 p.m.)

The United States, which today disputes our jurisdiction and asks for international co-operation, reserved everything when signing, starting with immigration, including tariffs, trade, the Panama Canal and finally throwing in for good measure "all disputes essentially within the domestic jurisdiction of the United States," empowering itself to decide just what these might be. Yet our friends to the left suggest that Canada was remiss in her responsibility not to bring this entire problem before the world court.

Is it really fair for any nation to criticize Canada for withdrawing in part from the court's domain, especially in the domain of pollution where international law is critically underdeveloped? Understandably, Washington is concerned that our claim to our archipelago ocean may create a precedent which could embarrass it in some parts of the world. But the Beaufort Sea is not the Java Sea. As one writer has stated, Ottawa is not Djakarta. Those who may be frightened or dismayed by the reaction of the United States should be reminded of the Truman proclamation of the continental shelf theory of 1948—a very unilateral action. As far back as 1780 the United States unilaterally established a 62-mile limit for anti-smuggling inspection of vessels.

If the world finds it difficult to act in concert, the fact is that Canada is prepared to tackle the problem of environmental pollution in the Arctic alone and, Mr. Speaker, it is gratifying that this effort commands the support of most members of this House.

At the recent session of the United Nations it was clear that the world is faced with an environmental crisis. Many statements were made. The concept of the ocean as a limitless

drainage basin for the world is wrong. The ocean itself has limitations, but we are faced with an environmental crisis and the world does not have laws for its own protection. The United Nations does great work, nations of the world working together and performing magnificently in many areas, but they have not been able to operate successfully in this battle against pollution. The inadequacy of world measures is not the fault of Canada. We continue to be one of the most active nations in the quest for international controls.

Surely it is not for a world without environmental standards and precedents to rule on the special problems of the Canadian Arctic, for Canadians will be the prime victims of any massive kind of pollution whether from oil spill or any other source. We are acting now to forestall the irreparable harm which might be caused while international law is developing to meet the current need. In 1972 there will be in Stockholm a conference on the environment, and Canada is a member of the planning committee. This conference will be vital to the world, but it would be a mistake to assume that Canada should wait until 1972 before acting to protect the ecology of her Arctic.

Those who suggest, almost in hurt tones, that they were surprised this measure was brought in without sufficient discussion or consideration should be reminded of the following paragraph in the Speech from the Throne as reported at page 3 of *Hansard* for October 23 last:

> While the Atlantic and the Pacific retain their traditional importance for Canada, the Arctic Ocean and its coastal regions may soon enter a period of rapid economic development. Much of this development will undoubtedly occur on the islands of the Canadian Archipelago, or in the adjoining continental shelf whose resources, under international law, we have the exclusive right to explore and exploit. With resource development, and the benefits it entails, may come grave danger to the balance of plant and animal life on land and in the sea, which is particularly precarious in the harsh polar regions. While encouraging such development, we must fulfil our responsibility to preserve these areas, as yet undespoiled and essentially in a state of nature. The government will introduce legislation setting out the measures necessary to prevent pollution in the Arctic Seas. It is also considering other methods of protecting Canada's ocean coasts.
>
> Through the United Nations and its agencies, Canada is seeking to establish a system to combat the pollution of international waters which threatens so many forms of life on this planet.

There is nothing inconsistent in the action taken by the government. As the Prime Minister said—

> —the new Arctic legislation is not an extension of sovereignty, but a weapon against pollution—

But if it serves to strengthen Canada's undoubted sovereignty in the Arctic, would anyone in this House decry that auxiliary accomplishment? Beyond the immediate need for Canada to preserve the ecology of the Arctic it is essential that all Arctic nations agree on methods to protect the Arctic ecology.

Our present concern with Arctic sovereignty should not overshadow the fact that we share the Polar region with the United States and other nations. The Soviet Union already has cities in the Russian Arctic and has reputedly found large oil deposits there. Beyond the measure before us she obviously enjoys a special degree of support. Canada should initiate talks with all her Arctic neighbours, including the Soviet Union, and pool information on ecology for the purpose of setting and extending anti-pollution standards not only throughout the Arctic but to all other areas of the world seas.

Mr. Speaker: The hon. member for Skeena (Mr. Howard).

Mr. Howard (Skeena): May I call it ten o'clock, Mr. Speaker?

Mr. Speaker: It being ten o'clock, the House will now consider the adjournment motion.

PROCEEDINGS ON ADJOURNMENT MOTION

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

INDUSTRY—CRITERIA FOR PAYMENTS TO AUTOMOBILE COMPANIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on March 23 last I asked a question of the Minister of Finance (Mr. Benson) as recorded at page 5460 of *Hansard*. It had to do with the comments of the Auditor General as they appear in volume I of his report for the fiscal year ended March 31, 1969, at pages 94, 95 and 96. My question concerned the Auditor General's comments on the $180 million paid out by Order in Council P.C. 1969-172, $173 million of which was paid to a single auto manufacturing company, which I take to be the Ford Motor Company of Canada.

I asked why this money was paid out by Order in Council to this company when other companies such as General Motors and Chrysler were paid under Motor Vehicles Tariff Order No. 1965. The Auditor General gave the reason for this, as presented to him and to the Public Accounts Committee, and stated at page 95:

> From the evidence given, it is obvious that in determining whether or not a vehicle manufacturer has complied with the requirements of the Motor Vehicles Tariff Order 1965, the Department of Industry, Trade and Commerce and the Department of Finance follow criteria additional to those incorporated in the Tariff Order.

• (10:00 p.m.)

> The officials of these departments, when testifying before the committee, appeared to place greater emphasis on criteria which are not included in the Tariff Order than on certain criteria which are included.

It seems to me that the criticism of the Auditor General is clear and specific. There is a Tariff Order under which rebates are made under the Canada-U.S. Auto Agreement to companies which are signatories to that agreement. The other auto companies have qualified under that Tariff Order. The Ford Motor Company for several years now has not complied with the Tariff Order and is not eligible for the rebates. However, on the basis of criteria which are not included in the Tariff Order the government has seen fit successively, year after year, to rebate to the Ford Motor Company the money to which it was not entitled under the Tariff Order. In this way $173 million has been paid out to the Ford Motor Company by Order in Council without any statutory authority. I say that because the company did not and could not comply with the Tariff Order.

I have read the evidence presented by the Minister of Industry, Trade and Commerce (Mr. Pepin) before the Public Accounts Committee in which he points out that certain agreements took place in an exchange of letters between the government and the president of the Ford Motor Company. I point out that those letters are not law and that if there are criteria upon which the Ford Motor Company was to be paid the $173 million, those criteria should be placed in the Tariff Order.

The other day I asked the Prime Minister (Mr. Trudeau) if the government's contention that the Auditor General was invading the field of policy was based on the Auditor General's criticism that the payment of $180 million was on the authority of an Order in Council instead of on the authority of the Tariff Order. The Prime Minister replied that this was the case. I point out, Mr. Speaker, that the Auditor General was not objecting to money being paid out under the Canada-U.S.

Auto Agreement. He was not questioning policy. He was questioning, as I do, the right of the government to pay out $180 million by Order in Council to companies which could not qualify under a Tariff Order and under statutory authority. In this case there has been a payment of public funds without proper legislative and statutory authority.

Mr. Alkenbrack: Shame!

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have asked for an explanation of this matter and I will keep on asking for an explanation. The government has one of two responsibilities: either it must change the Tariff order so as to include any other criteria it may want to add, or it must say that those who do not qualify under the Tariff Order are not entitled to the rebate.

I raise this question because the answer I obtained from the Minister of Finance was both evasive and flippant. When I asked him about the criticisms of the Auditor General his reply was, "I would simply like to say that accountants make poor lawyers." I say that sometimes accountants make poor ministers, and if they continue to make these payments without the proper statutory authority they are not fulfilling their duties as ministers of the Crown.

Mr. Chas. L. Caccia (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, the criteria upon which the decision of the government was taken were based on Motor Vehicles Tariff Order 1965, the more comprehensive agreements entered into with the individual motor vehicle companies in Canada and their over-all performance under the automotive program.

Motor Vehicles Tariff Order 1965 is an integral part of the Canada-United States Automotive Products Agreement which provides for the removal of tariffs and other impediments to trade between the two countries in automotive products. It does not anticipate collection of duties by either country, and none have been paid. The Auditor General has not observed that this is an international free trade agreement. However, both Canada and the United States established conditions which are contained in the text of the agreement as a means to control and to serve as a measure of protection to their separate industries.

The condition established by Canada, as set out in the order in question, pertains to the definition of a manufacturer. This condition was established to ensure that in the process of rationalization our industry would not become smaller than in 1964. However, this condition by itself does not give any assurance of expansion by the Canadian industry within the North American market created by the agreement. The government therefore entered into more comprehensive agreements with each of the motor vehicle companies in Canada which placed greater production obligations upon them than provided under the international agreement.

A review at the end of 1967 and again in 1968 revealed that the companies had fully satisfied the production requirements placed upon them by the government. In most instances the companies were producing in Canada at a level in excess of that required under the program. However, it was determined that while certain companies had not fully met all the particular terms of the original definition of manufacturers as set out in the original order, they had in fact met or exceeded the objectives set by the government for total production performance. Therefore, the government exercised the authority given it by Parliament under section 22 of the Financial Administration Act to pass an Order in Council confirming certain moneys were not in fact owing to it for customs duties. Payments have not been made to these companies by the government to refund moneys to them.

Having devoted his time and effort to the legalistic aspect of the question, I hope the hon. member will recognize the fact that this agreement has produced employment for thousands of Canadians.

POLLUTION—PHOSPHATE DETERGENTS—DOOR-TO-DOOR DISTRIBUTION OF ARCTIC POWER

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, yesterday I drew to the attention of the Minister of Consumer and Corporate Affairs (Mr. Basford) the protest of a number of women in Edmonton. They were annoyed because they found unsolicited samples of a household detergent at their doors. Not only that, the detergent in question was Arctic Power, a detergent which a pollution analysis showed to contain 36.5 per cent phosphate—a very high percentage of a pollution.

The women complained on two counts. First, they wanted a stop put to the nuisance of finding unasked for samples of merchandise dumped on their doorsteps and their right to privacy on their property being invaded. Second, they resented the advertis-

ing of a product which adds to the pollution of our waterways. One of them, at least, mistakenly believed this product had already been banned by the government. The natural reaction of the women was to collect as many of the unwanted samples as possible and send them to the Prime Minister (Mr. Trudeau) in the hope that he would do something to stop the nuisance. Evidently they were not aware that this matter falls within the responsibility of the Minister of Consumer and Corporate Affairs. Equally evident, the minister is not yet prepared to take this particular responsibility seriously.

• (10:10 p.m.)

Admittedly my question provoked amusement, dealing as it did with Arctic Power detergent in the midst of heated exchanges about Canada's sovereignty in the Arctic and the United States' reaction to the Canadian declaration. But equally admittedly the Minister of Consumer and Corporate Affairs took advantage of the lighthearted moment to slither away quickly from my question about what he proposed to do to protect consumers from the practice of unsolicited door-to-door dumping of samples. In his reply to my question he said:

> I will examine the situation to see whether it is within the terms of reference of the Arctic pollution bill.

Fair enough. But, fun and games aside, it is the job of the Minister of Consumer and Corporate Affairs to provide legislation to protect the consumer from a number of advertising and merchandising practices which constitute a constant source of irritation and added expense to the consumer. There is the business of unsolicited samples, some of which are dangerous to children. There is unsolicited advertising—letters, circulars and brochures which fill the garbage cans and wastebaskets of householders everywhere. There is the deceptive and mysterious practice of "cents off" advertising. Someone sent me a bottle of coffee marked "cents off" the other day. Cents off what? There is the two-package "deal" in razor blades which someone sent to my office a few days ago. They had four different prices marked on them, along with the encouraging admonition to "save 39 cents".

These things may seem amusing and scarcely worth the attention of members of this august chamber, but I can assure them that to the housewife who is struggling with 50 kinds of frustration they are unwarranted nuisances. Then there is the advertising of fruit drinks which have never had any fruit near them, and jelly desserts so fresh with fruit that one would swear they had just fallen from the tree. Yet they contain no fruit, even though many a mother congratulates herself on building up her children's health with such concentrated goodness from orchard and garden.

I realize that the minister has made a start on consumer protection in a number of directions. There is the hazardous products legislation, the provisions respecting the sizing of children's clothing and a number of other measures. But there is need of vigorous action along the lines I have mentioned tonight—action to ban house-to-house distribution of unsolicited samples, action to prohibit deceptive and fraudulent advertising and the peddling of products which are not what they seem to be. I would ask the minister to make a real start in this direction and earn the gratitude of all long-suffering consumers.

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the hon. lady has once again taken up the cudgels on behalf of the housewives of Canada. Together with many other people she is attempting to control the use of phosphates in our society. She is a member of the Standing Committee on National Resources which is presently studying the Canada Water Bill, and I must say she is one of our strongest supporters with respect to, hopefully, the abolition of phosphates from detergents throughout Canada.

Listening to the hon. lady I felt, as a male who works in the House of Commons and who has to look after a constituency, a sense of regret that I do not have more opportunities to go shopping and price the coffee and other commodities which we find on the shelves of the stores. I only wish more of us had the relationship with the housewives of Canada the hon. lady has, so that we might learn more about the things which affect consumers. I am not being facetious when I say that. We as parliamentarians face this problem of trying to determine somehow or other what is right for the people who live in this country, not least of whom are the housewives who have to live within the family budget during the course of any given two-week or one-month period.

I think that the Minister of Consumer Affairs, in the job he is trying to do of bringing consumer items closer to the people of Canada so they will understand better what

they are purchasing when they go into grocery or other stores, is doing the kind of job Canadians are asking him to do. I know the hon. lady will continue to pressure him in terms of finding those areas where there are problems, but I would assure the House that the minister, through his department, is taking on as many things as he can at any one time.

In conclusion, as far as free samples are concerned I cannot help but wonder whether we should turn off our television sets when advertising appears, because in effect this is the same as a free sample coming through the mails or through door-to-door distribution. But to the hon. lady I again say that I am sure the minister will bear her words in mind and do what he can to straighten out the sort of things that bother us all.

ADMINISTRATION OF JUSTICE—APPOINTMENT OF JUDGES

Mr. H. E. Stafford (Elgin): Mr. Speaker, I would think that justice and the just society are synonymous. The components of a just society must be economic, political and legal justice. By "legal justice" I mean justice according to the law, which includes legal procedure, jurisdiction of the courts and the appointment of judges. I really want to draw attention to the need to encourage men of character and ability to dedicate themselves to a judicial career.

I do not propose to cast stones at the procedures adopted by the United States, but I submit that the well-springs of justice have become tainted by the odious controversy in the Senate over the confirmation of the men nominated by the President to the Supreme Court of the United States. Here there is a lesson to be learned. In at least one instance the nominee was rejected because the Senate thought his judicial record was open to question on the matter of civil rights. But it is important to notice that there is no suggestion that a person without judicial experience be appointed.

The present nominee is a judge from the northern state of Minnesota. To put the matter simply, the President is not going outside the judiciary for an appointment to the highest court in the land. It is common sense that it is an advantage to be able to examine a man's judical record before appointing him to a higher court.

The Minister of Justice (Mr. Turner) is well aware that the three greatest names in

[Mr. Orange.]

American legal history, namely, Holmes, Hughes and Cardoza, all served in lower courts. Lord Denning, who is probably the most widely-respected judge in the common law countries today, also proved his worth in a lower court before ascending to his present position as Master of the Rolls.

Now, Mr. Speaker, I direct the minister's attention to our Supreme Courts. This principle of elevating men of judicial experience is one that, I submit, ought to be implemented throughout the judical system. I am aware that the Minister of Justice has given partial effect to this principle, particularly in the province of British Columbia. I bear in mind that most of the appointments to the Supreme Court in that province during the past several years have been men who served in the county courts of that province. In the result, the reputation of the Supreme Court of British Columbia is unsurpassed in judical quality in this country.

The point I wish to make is that the principle ought to be applied on every possible occasion. I have in mind appointments from the county court to the Supreme Court trial division and from the Supreme Court trial division to the Supreme Court appellate division. The time has come when the wearing of the judical robe should be regarded as a career. There is a maxim in law that, no matter how illustrious he may have been as a lawyer, you never know what kind of judge you have until he puts on the robe. The Minister of Justice does not have to run that hazard in the higher courts. All that he needs do is turn a critical eye upon the records of the dedicated men who are already serving in the courts and have proved their fitness and their mettle.

If appointments are consistently made to the higher courts from ranks outside the incumbents on the bench, it cannot fail but produce at least two very adverse results. Firstly, it stifles the laudable hopes of men who have shown in the discharge of their duties that they are worthy of elevation. Ambition in a noble cause is a worthy spur; why remove it? Secondly, it will make the minister's task of finding men of ability for the lower courts even more difficult. I believe that it is an open secret that the majority of successful lawyers would hesitate before undertaking the wearisome and confining duties of judical office. In the result, it will eventually denude the trial division and the lower courts of the calibre of men who are sorely needed.

Let me put my argument another way and point out the benefits that will flow from the adherence of elevating proven judges of the lower courts. This method of selection would indicate to a practitioner who is prepared to make the sacrifice necessary to the acceptance of an appointment to the lower court that he may well be considered, in the light of his performance, to a higher tribunal.

It is scarcely necessary to point out that this system has a three-fold benefit. Firstly, it will attract the better lawyer to accept an appointment to the lower court. Secondly, it will provide a reservoir of men of experience and proven work upon which to draw for appointments to higher tribunals. Thirdly, it will add to the prestige of the lower court as it clearly follows that every appointment from the lower court to the higher court is a compliment, not only to the individual concerned but to every member of the lower court. It is scarcely necessary to add that a good judge will be a better judge for having served in the trial division.

• (10:20 p.m.)

Let me support my contention with another point. Every member of the provincial Supreme Court is ex-officio a member of the Appeal Court, and if the words "ex-officio members of the Appellate Court" are to have any real meaning the minister should have no hesitation in appointing men who have already proven their worth as judges of the Supreme Court in the trial division.

Let me give a few illustrations of judges, who have now retired, who began their careers as trial court judges in the Supreme Court and later strengthened the Appellate Court when they were appointed to the higher division. I pick these names at random from my own province for the reason that I am less knowledgeable about circumstances in other provinces, although I have no doubt my argument could be applied with equal force all across the country. These men, by unanimous approval of the profession and aided by their trial court experience brought strength and lustre to the higher court—the Honourable Mr. Justice Wilfred Roach, the Honourable Mr. Justice Keillor MacKay and the Honourable Mr. Justice James McRuer. I could add many more names to the list.

My submission is that it is vital in this changing age that the administration of justice be closer to the people and command the confidence of the people. I can think of no more effective way of promoting that objective than appointing to the higher courts men who have travelled the width and breadth of the province and mediated the differences between the people, face to face.

To overlook these dedicated men serving in the lower courts certainly does not add to the prestige and the morale of the Bench. There may be exceptions, but in my submission these principles should be generally adhered to. Perhaps I can put my argument in no better way than by drawing an analogy. The Minister of Justice and, yes, even the Prime Minister (Mr. Trudeau) once sat in the back benches of this House. It is to the benefit of Parliament that the principle I now espouse for the judiciary was adopted in their case so they can now bring their back-bench experience and their ability to higher office. There is nothing so unique about the administration of justice that the same principle should not apply to judicial appointments.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I certainly agree with my hon. friend, who also is a very competent and well-known lawyer, that extreme care must be taken to appoint as judges of the courts, especially the superior courts, people of the highest calibre, competence and integrity. I must say to him, however, that it has been and is the practice of the minister to consider all qualified persons for judicial appointments. This certainly includes members of the lower courts. I am sure the Minister of Justice (Mr. Turner) will take note of the hon. member's remarks.

Motion agreed to and the House adjourned a 10.25 p.m.

HOUSE OF COMMONS

Friday April 17, 1970

The House met at 11 a.m.

ROUTINE PROCEEDINGS

POLLUTION

NAMING OF MEMBERS OF SPECIAL COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the striking committee has now agreed on the membership of the Special Committee on Environmental Pollution, and if the House would be agreeable perhaps this could be made an order of the House:

That the members of the Special Committee on Environmental Pollution be Messrs. Aiken, Anderson, Comeau, Deakon, Gauthier, Given, Haidasz, Harding, Knowles (Norfolk-Haldimand), Lachance, Rock and Sulatycky.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

LABOUR CONDITIONS

UNEMPLOYMENT INCREASE—REQUEST TO TABLE CORRESPONDENCE

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I rise to ask permission of the House to try to make a move which will convince the right hon. Prime Minister of the seriousness of my observations yesterday. With your permission, sir, and with the permission of the House, if I may have it, I would like to table the recent correspondence I have received from my province on unemployment. Perhaps this might have an overflow effect on the Prime Minister—

Mr. Speaker: Order, please. I respectfully suggest to the hon. member that the procedures of the House, the Standing Orders and our practices do not make it possible for members to table correspondence and private papers. In this sense I would not think that we should depart from a rather lengthy practice. I suggest to the hon. member that if he wants to communicate this information to the Chair, to a member of the government or to other members of the House, he can do so in some other way than by tabling these documents.

Mr. Lundrigan: Mr. Speaker, I was going to ask for unanimous consent but I will take your advice and I will walk across later and present it to the Prime Minister.

Mr. Trudeau: Why don't you answer your letters?

Mr. Baldwin: This is not the Prime Minister's day to read letters.

UNEMPLOYMENT INSURANCE ACT

CONTINUATION OF BENEFITS TO UNEMPLOYED WHILE RETRAINING

Mr. Max Saltsman (Waterloo) moved for leave to introduce Bill C-205, to amend the Unemployment Insurance Act.

Some hon. Members: Explain.

Mr. Saltsman: Mr. Speaker, the purpose of this bill is to encourage those who are unemployed and in receipt of unemployment insurance to undertake retraining and upgrading for the period of their unemployment and to continue receiving unemployment insurance benefits during that time.

• (11:10 a.m.)

The bill also seeks to change the present interpretation of the Act which disqualifies people from unemployment insurance benefits when temporarily attending school during lay-offs or waiting for a job opening.

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

ORAL QUESTION PERIOD

LABOUR CONDITIONS

ACCEPTABLE LEVEL OF UNEMPLOYMENT IN COMBATING INFLATION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the alarming increase in unemployment shown by the Dominion Bureau of Statistics' figures released yesterday, could the Prime Minister give the House an indication of the extent of unemployment that the government would permit before slowing down on its policies of creating more slack in the economy? In other

words, what degree of unemployment does the government regard as the point at which it must begin to reverse its policies and the degree beyond which unemployment would be considered to be at the danger point?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I answered a lot of questions on this subject yesterday and I think the hon. member should refer to *Hansard.*

Some hon. Members: Oh, oh!

Mr. Crouse: That is arrogance for you. How arrogant can you get?

Mr. Muir (Cape Breton-The Sydneys): The unemployed will appreciate that.

Mr. Stanfield: Mr. Speaker, I do not have to refer to *Hansard.* I was here and heard the questions and I am asking for information from the Prime Minister. I think the House and the country are interested in knowing what the policy of the government is, and I should like the Prime Minister to state the point at which he and his government would consider that its policies designed to slow down the economy should be slackened. We would like to know what that unemployment figure would be.

Mr. Trudeau: Mr. Speaker, our policies to slow down the economy, as the hon. member puts it, will be slackened when the inflationary psychology is broken in this country. If we do not have the support of the opposition and of the general public—

Mr. MacEwan: That old story doesn't go down any more.

Mr. Trudeau: —in the fight against inflation, if they think the government is going to give up the fight against inflation, obviously the inflationary psychology will not be broken and therefore inflation will continue wreaking the havoc that it has on the Canadian economy. For this reason I appeal to the opposition and to public opinion to realize that we do intend to beat inflation and that the sooner they realize it the sooner the inflationary psychology which the opposition is encouraging will cease.

Mr. Stanfield: Mr. Speaker, I take it from this that the government considers that the degree of unemployment existing in the country is necessary for an effective fight against inflation. I should like to ask a supplementary question rising from the impression that the Prime Minister attempted to give yesterday that the employment situation in the Atlantic provinces was better than a year ago. In view of the fact that the DBS figures for two months in a row have shown that the actual level of employment in the Atlantic provinces is lower than a year ago, is the Prime Minister not prepared to agree not only that the impression he tried to give yesterday was wrong but that in fact the policies of the government are slowing down the economy in that area and that this must be due either to the policies being pursued by the Minister of Finance or the futility of the efforts of the Department of Regional Economic Expansion?

Mr. Trudeau: Once again, Mr. Speaker, I must refer the hon. member to *Hansard.* I did not talk about a year ago. I compared the figures of last September and this month.

Mr. Stanfield: I have a further supplementary question, Mr. Speaker. I was talking about a year ago. I was talking about the impression that the Prime Minister tried to give that the policies of the government were not depressing the economy and the rate of development in these areas. I ask the Prime Minister whether, in view of the fact that DBS figures show that for two months in a row employment figures were actually lower than a year ago, the policies of his government are not having this disastrous effect?

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker, to the Prime Minister. Some months ago the Prime Minister said in a press interview that in order to combat inflation the government was prepared to see an unemployment figure of 6 per cent, that it would not worry the Prime Minister if there was an unemployment figure of 6 per cent. Since as of yesterday we have an unemployment figure of 6.7 per cent, would he tell the country whether he is now prepared to revise that original figure and whether the figure which would not worry him is not 6 per cent but 8 per cent or 10 per cent?

Mr. Trudeau: Mr. Speaker, the hon. member is trying to ask the same kind of question as the Leader of the Opposition asked, and the quotation is not an accurate one. I was asked the same type of question by the press as I have been asked by the Leader of the Opposition as to what percentage of unemployment would force the government to change its anti-inflationary policies. My answer was that the question should not be asked that way, that we were determined to fight inflation, and that the sooner the opposition and the various sectors of the country

supported the fight against inflation the sooner the danger of unemployment would recede.

An hon. Member: That is a new theory.

Mr. Orlikow: A further supplementary question, Mr. Speaker. Since unemployment is rising and inflation is continuing to increase, can the House take it that the Prime Minister has no intention of relaxing the program of restraint regardless of whether unemployment continues to rise at an increasing rate?

Mr. Trudeau: Mr. Speaker, I realize that the opposition has some difficulty in making choices, but the government is faced with the choice of either giving up the fight against inflation or continuing it. I want to reassure the House and country that it would be no problem at all for the government to spend many, many more millions of dollars in all parts of the country if it lacked the courage to continue the fight against inflation, as apparently seems to be the case with the opposition.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a further supplementary question for the Prime Minister who has referred to the difficulties of the opposition. Is he not aware that the Minister of Regional Economic Expansion, before the Standing Committee on Regional Development just the other day, had occasion to say that he was not defending the government's policy?

Mr. Speaker: The hon. member for St. John's East.

Mr. MacInnis: I rise on a point of order, Mr. Speaker. I think any hon. member of the House has reason to raise a question of privilege or point of order when the Prime Minister talks of the difficulty the opposition has in understanding the government's approach to a particular problem when a minister of the government, a minister greatly responsible for this particular matter, has told the committee that he is not defending the government's policy.

Mr. Speaker: The hon. member for St. John's East.

UNEMPLOYMENT INCREASE—RATIFICATION OF SPECIAL AREAS PROGRAM AGREEMENTS

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the President of the Treasury Board. In view of the alarming rate of unemployment in the provinces of Newfoundland and New Brunswick, and in view of both these provinces having ratified the agreements respecting the new special areas program under the Department of Regional Economic Expansion, may I ask the President of the Treasury Board why Treasury Board has held up ratification or approval of these two important programs?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, Treasury Board has not held up ratification or approval.

An hon. Member: Get cracking, then.

Mr. McGrath: Mr. Speaker, the Minister of Regional Economic Expansion, before the Regional Development Committee a few days ago, indicated that the programs were currently awaiting the approval of Treasury Board. These programs were supposed to have been in effect by April 1. I again ask the President of the Treasury Board why Treasury Board has not approved these programs?

Mr. Speaker: Order, please. The hon. member is repeating the question he asked. An answer was given. Perhaps he may not be satisfied with the answer, but the question has been asked already.

Mr. McGrath: Mr. Speaker, may I rephrase my question. It is a very important one to these two provinces. May I ask the President of the Treasury Board why Treasury Board has not approved these two programs?

Mr. Drury: Mr. Speaker, I should like to correct the misapprehension. These two particular programs have been approved by Treasury Board.

Mr. Diefenbaker: When, today?

UNEMPLOYMENT INCREASE—AMENDMENTS TO UNEMPLOYMENT INSURANCE ACT

Mr. W. B. Nesbitt (Oxford): I have a supplementary question, Mr. Speaker, which I would have directed to the Minister of Labour had he been here. In his absence I will direct it to the government House Leader. In view of the increasing delays and difficulties in getting unemployment insurance claims, and this is related directly to the increasing unemployment, can the government House Leader inform us if the government is contemplating amendments to the Unemployment Insurance Act before this session is completed in June?

Inquiries of the Ministry

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I refer the hon. member to the statement I made in the House on January 28 last. The information is that at the moment there will be no additional amendments to that act.

Mr. Nesbitt: A further supplementary. In view of the changed employment situation and also because of the many complaints registered by members in all parts of this House regarding Unemployment Insurance Commission practices, will the government House Leader reconsider the possibility of introducing appropriate amendments to the Act as soon as possible?

Mr. Macdonald (Rosedale): I will reconsider the matter in conjunction with the legislative program generally.

[*Translation*]

QUEBEC—SHORT-TERM PROGRAMS TO ALLEVIATE UNEMPLOYMENT

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a supplementary question for the Prime Minister. Could he indicate clearly to the House whether the 6.7 per cent unemployment level really worries the government, since this situation is particularly hard on Quebec? Are short-term projects being prepared in order to put an end to this calamity which has hit the province of Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, conditions would be better in Quebec if the rate of private investment were not the second lowest of all the Canadian provinces.

Of course, if private investors decide to invest elsewhere, it is not the federal government's fault but that of the present government of the province of Quebec.

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

In my opinion, the Prime Minister did not answer my question. Therefore, I ask him what short-term programs the government has prepared in order to check unemployment in Quebec?

Mr. Speaker: The hon. member will recognize with regard to his supplementary question or to the second part of his first question that he is asking the Prime Minister or a minister to make a statement on general policy. I think such statements should be made on motions.

[Mr. Nesbitt.]

[*English*]

ACCEPTABLE LEVEL OF UNEMPLOYMENT IN COMBATING INFLATION—U.S. POLICY

Mr. John Lundrigan (Gander-Twillingate): My question is supplementary to that of the Leader of the Opposition. Is the Prime Minister prepared to make a statement on motions indicating the level of unemployment that will be tolerated across the nation in various regions? I ask this in view of the fact that the national statistic of 6.7 per cent misrepresents the statistics for the regions where unemployment is as high as 15.3 per cent. While the Prime Minister is responding, perhaps he might want to react to my question of privilege yesterday which I raised when the Prime Minister referred to the seasonally adjusted statistics of March compared with November, which are non-comparable. Perhaps he could indicate whether the basis of his answer was because of a lack of knowledge or if there was an obvious intention to mislead the House?

Mr. Speaker: Order, please. The hon. member will recognize that when he asks a question in these terms it cannot be accepted by the Chair. The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Lundrigan: Mr. Speaker—

Mr. Speaker: Order, please. The question is out of order. If the hon. member will ask a question in accordance with the normal practice, I will recognize him and allow him to ask the question. Perhaps he may want to rephrase it.

Mr. Lundrigan: I will rephrase my question. Perhaps the Prime Minister can indicate whether he will make such a statement. Will he also indicate whether the government is planning to follow the lead of the United States authorities who are very aggressive in this field and who are at present relaxing their anti-inflationary policies, at least on a regional basis, in order to stimulate employment in areas which are drastically affected? Is the government planning to follow that lead at least on a regional basis?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not particularly intend taking my lead from the United States in this or in other matters if I can avoid it. I want to remind the House it takes no courage for a government to spend more money in all parts of the country. I repeat that we can very easily boost our spending in all parts of the

country. It would be helpful if the opposition would indicate where it thinks we should curtail our spending—

Some hon. Members: Your office.

Mr. Bell: Information Canada.

Mr. Trudeau: —or, alternatively, to suggest what particular taxes they would like to see us raise in order to spend more money.

Mr. Speaker: Order. There have been a number of supplementaries and I think the House would agree we ought now to recognize the hon. member for Nanaimo-Cowichan-The Islands.

Mr. Muir (Cape Breton-The Sydneys): What happened to the just society?

EXTERNAL AFFAIRS

SPREAD OF WAR IN SOUTHEAST ASIA—RECONVENING OF CONFERENCE OF GENEVA ACCORD POWERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I should like to address a question to the Prime Minister arising out of the statement made by Mr. Jacob Malik, the Soviet Ambassador to the United Nations, in which he supported the proposal of the French government earlier this month for the calling of the Geneva conference in an endeavour to prevent the spreading of the war in Viet Nam to the neighbouring countries of Laos and Cambodia. Does the Canadian government intend publicly to endorse the proposal of those two governments in the hope that a conference can be called and some solution found to the problem in Southeast Asia?

Right Hon. P. E. Trudeau (Prime Minister): I am informed that the Department of External Affairs is trying to ascertain whether this proposal or suggestion constitutes, in fact, a concrete proposal by the Soviet Union. If such is the case, we are prepared to support it as we are prepared to support any initiative which would bring peace to the area.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Irrespective of whether or not the ambassador was speaking for the Soviet government—and in all probability he was; I do not think it is likely he would make such a statement otherwise—it remains a fact that the government of France has forthrightly called for this conference. Would the Prime Minister agree that in the light of Canada's membership on the International Control Commission we have a vital stake in this matter and that this country ought to make its views known in the hope that other nations will join with us in asking for such a conference?

Mr. Trudeau: I repeat, we welcome all efforts aimed at negotiations which would bring peace to the area and we would certainly take part in such negotiations if they were to develop.

REPORTED SLAUGHTER OF VIETNAMESE LIVING IN CAMBODIA—INVESTIGATION BY INTERNATIONAL CONTROL COMMISSION

Mr. R. Gordon L. Fairweather (Fundy-Royal): In view of reports indicating there has been wholesale slaughter of Vietnamese living in Cambodia, is it the intention of the government to reactivate the International Control Commission and have the commission investigate what may be a very tragic situation?

Right Hon. P. E. Trudeau (Prime Minister): The government has noted this situation. As the hon. member says, it is a tragic one, and we have been in active negotiation with the other members of the commission, the Polish and Indian governments. We are not sure at this stage whether there can be agreement between the three members to reactivate the commission but we are certainly trying to secure agreement between the three governments.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I ask the Prime Minister whether Canada is the member named by Mr. Malik as the country which, as a member of the commission, insisted on withdrawing the International Control Commission from Cambodia?

Mr. Trudeau: I shall have to discuss that with the Secretary of State for External Affairs.

THE CANADIAN ECONOMY

INFLATION—ROLLING BACK OF TINPLATE PRICE INCREASES

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a question to the Prime Minister. On Monday of this week I asked a question of the Minister of Consumer and Corporate Affairs regarding the roll-back in the price of tinplate. The minister has not been in the House. He was supposed to be here yesterday to answer the question. He indicated that he

would have the answer regarding his department's position within a day or so. In view of his interest in combating inflation, I wonder whether the Prime Minister has an answer for the House today?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. Had I been given notice of the question, I might have.

PENITENTIARIES

SASKATCHEWAN—COMPLAINTS CONCERNING FOOD—INCIPIENT UNREST

Right Hon. J. G. Diefenbaker (Prince Albert): I direct my question to the Solicitor General, Mr. Speaker. It has to do with the aftermath of a visit by three Members of Parliament—members of the New Democratic party—to a Saskatchewan penitentiary. Following their visit they offered strong criticism. In view of the fact that the warden and the officials of this penitentiary have an excellent reputation, and since this criticism has been followed by incipient unrest among those who are confined in the institution, would the minister be prepared to tell the House what the situation is and whether there was any foundation for the criticism concerning food and the insufficiency of meat for the inmates?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, when I heard on the radio the day after the two-day visit of three members to the penitentiary the allegation concerning food, I immediately had the matter investigated and found that the allegation was contrary to the fact.

As to the other part of the right hon. gentleman's question, I do not admit, first of all, that there is incipient unrest, but I will look into that situation. In any event I would not want to admit at this stage, certainly on the basis of any information that I have, that if such condition existed it was caused by the visit of the three members.

Mr. Diefenbaker: Mr. Speaker, in view of the fact that the minister himself has visited this institution, is he not prepared to say that following his visit in September he gave to that institution a first rate and excellent reputation both as a training unit and as a penal institution?

Mr. McIlraith: Yes, Mr. Speaker, that is true. I have on several occasions since that visit made reference to some of the training facilities in that institution, and in that respect put it forward as the best example in the country of institutions of that kind.

[Mr. Saltsman.]

Mr. Frank Howard (Skeena): Mr. Speaker, as one who visited the institution, unlike the gentleman who asked the preceding question, could I ask the Solicitor General whether he would not agree that the so-called food strike of last Christmas and the one that preceded it about a month before were not reflective of the condition of the food but of other conditions in the institution, which is usually the case with such strikes?

Mr. McIlraith: Mr. Speaker, I had that matter investigated at the time and I found that it reflected the fact that certain persons who had been working as kitchen staff had been removed from that task and given other duties, and the demand arose that they be returned to kitchen duty. That seemed to be very closely related to the cause of any trouble at the time of that so-called strike at Christmas time which related to dining facilities and the unwillingness of the prisoners to take their trays when they were issued in the usual way.

[*Translation*]

SHIPBUILDING

AWARD OF CONTRACT FOR CONSTRUCTION OF "MARGAREE"

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

Could he tell the House why the government has granted the contract for the construction of the *Margaree* to a company other than the Davie Shipbuilding, of Lauzon, in spite of the fact that it had submitted the lowest bid?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I was not aware of that particular fact. I will inquire and report to the hon. member.

[*English*]

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—PAYMENT OF EXPENSES OF INSPECTORS—ENFORCEMENT OF BULLETIN PROVISIONS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to direct my question to the Minister without Portfolio in charge of

the wheat board. Would the minister inform the House whether his department is prepared to pay the expenses incurred by commissioners of oaths when they travel to inspect fields under cover crop, as required under item 10 of bulletin No. 2 issued by the Minister of Agriculture and the Minister without Portfolio?

Mr. Speaker: I am not sure as to the urgency of the question asked by the hon. member; certainly there is no urgency apparent to the Chair. If it is a matter that should be looked into immediately, the minister might like to reply to the hon. member's question.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the exact regulations in terms of satisfying the Minister of Agriculture with what is required in regard to the plan are now being put into final form. Therefore I think the question may not in fact arise.

Mr. Gleave: A supplementary question, Mr. Speaker. Might I plead that there is some urgency to these matters since the general intent of this policy is a matter with which the farmers will have to contend. Further, I should like to ask the minister whether, in view of the statement in item four of the same bulletin that there will be on-farm inspection, that farmers may be penalized and that inspection will include the measuring of fields, it is the intention of the ministers to pay people with engineers and surveyors qualifications to perform the function of measuring these fields?

Mr. Speaker: The hon. member for York North.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise on a point of order. The minister has told the House that the regulations are not ready, yet two bulletins have been sent to the farmers setting forth conditions with which the farmers must comply. The minister has now told us that the farmers may not have to pay attention to these regulations. It seems to me to be of importance from the standpoint of the farmers who have received these bulletins to know whether the bulletins are setting out specific instructions that the farmers must follow or whether they can be totally disregarded.

Mr. Speaker: I suggest to the hon. member that that is not a point of order. The hon. member will recognize that I allowed the first question and it was replied to by the minister. Then there was a supplementary which did not bring a response from the minister. At that point I would think the Chair was justified in passing on to the next questioner.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Then may I put it in the form of a supplementary question to the Minister. Are the provisions and stipulations set forth in bulletin No. 2, particularly No. 10 and No. 4, to be enforced by the government, or will the regulations when tabled make these stipulations and controls no longer applicable?

Mr. Lang: Mr. Speaker, I do not have the actual bulletins in front of me to refer to the particular numbers. The program in broad form, certainly as it affects farmers, has been made clear to individual permitholders through the bulletins that have gone out. There are, of course, some matters of detail to be finalized, but these will in no way affect the kind of decision that the farmer has to make or the way in which he will benefit under the LIFT program.

Mr. Gleave: A further supplementary question, Mr. Speaker. Is it the intention of the responsible ministers to solve the unemployment problem in Saskatchewan by hiring a flock of inspectors to—

Mr. Speaker: Order, please. The hon. member for Qu'Appelle-Moose Mountain.

WHEAT—ACREAGE REDUCTION PROGRAM—ESTABLISHMENT OF SPECIAL OFFICE

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister without Portfolio. Is it a fact that a special office has been established in Regina, Saskatchewan, in connection with operation LIFT, and can the minister indicate what are the actual functions the new office will perform and who will be in charge?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the administration of a significant part of the operation LIFT program is being handled out of the regular PFAA offices in Regina. Inspectors will be operating from that office in Regina. However, I should like to emphasize to hon. members that an inspection system is required in any case in order to make the whole permit book system meaningful and to make it correspond more realistically to farming operations than has been true in many cases in the past.

Inquiries of the Ministry

TAXATION

WHITE PAPER ON REFORM—OBJECTION BY PROFESSIONAL HOCKEY CLUB OWNERS

Mr. Barney Danson (York North): Mr. Speaker, I have a question for the Prime Minister which relates to testimony before a committee of the other place by owners of professional hockey clubs that certain provisions of the tax reform proposals if implemented will inhibit the sales of season tickets, causing undue hardship. I should like to ask the Prime Minister whether he will give special consideration to this deprived group which will still be consistent with our national league goals?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. As the hon. member is referring to testimony given in the other place, I suggest to him he is asking his question in the wrong forum.

Some hon. Members: Hear, hear!

Mr. Danson: Mr. Speaker, I am sorry if my question is offside but may I be permitted to ask a supplementary arising out of a previous question which might be more in keeping with the proceedings of the House. It relates to unemployment as a result of anti-inflation measures. I wonder whether the Prime Minister would indicate to the House what the increased rate of inflation might be or, conversely, what the rate of unemployment might be if our existing measures had not been in force for some months?

Mr. Baldwin: Order paper!

Mr. Speaker: Order, please. The question is hypothetical, amongst other things.

[*Translation*]

INDUSTRY

GOLD MINING—POLICY RESPECTING GRANTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Minister of Energy, Mines and Resources a question.

About ten days ago, I put it to the Prime Minister who then advised me to address it to the Minister of Energy, Mines and Resources, and I am following his good advice.

In view of the federal government's intention to drop the subsidies to gold mines and the statement by the premier of Quebec to the effect that a mine had already folded up, and that a second one would do so shortly, and in view of the fact that only one possibility is left, that of putting off this decision, in order to allow Quebec mining operations to remain in business, would the Minister be willing to discuss the matter with the Quebec government?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I am not sure that discussions of any question with my provincial colleagues would be useful, but should Quebec give itself a good government and a good minister at the coming election. I will be happy to study the problem with them.

[*English*]

AUDITOR GENERAL

INTRODUCTION OF LEGISLATION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in view of the doubts which have been expressed by so many Canadians about the government's position vis-à-vis the Auditor General, I should like to ask the President of the Treasury Board when it is the government's intention to introduce its proposed legislation in this regard?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think this question is under discussion now in the Public Accounts Committee.

Mr. Baldwin: I have a supplementary question, Mr. Speaker. In introducing the legislation will the minister and the government bear in mind that the people of Canada will not tolerate any attempt by this government to bulldoze its way into elimination of effective parliamentary control?

Mr. Speaker: Order, please. I suggest to the hon. member that the question cannot be replied to as it is out of order when asked in these terms.

NATIONAL DEFENCE

ESTABLISHMENT OF PERMANENT HEADQUARTERS AT YELLOWKNIFE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of National Defence. I should like to ask him through you, Sir, whether, as he has been kind enough to send to members of the Standing Committee on External Affairs and National Defence a press statement announcing the establishment by the Canadian forces of a permanent headquarters at Yellowknife,

and in view of the great importance and interest of this subject, he will either consider making a statement on motions to this House or at least tabling the statement in the House?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I expect that the press release that was issued this morning will be in all the newspapers this afternoon, so they more or less scooped the House in this particular instance.

[*Later:*]

Mr. Brewin: I have a supplementary question, Mr. Speaker. Is it government policy to scoop the House by making important announcements in the press rather than the House which is very much interested in them?

Mr. Cadieux (Labelle): Mr. Speaker, this is just the implementation of the statement I made on September 19, 1969, when I announced the establishment of that headquarters.

RECRUITMENT OF ESKIMOS FOR NORTHERN SERVICE

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I have a supplementary question to the Minister of National Defence. Will the armed services recruit Eskimos in the north particularly in view of the fact that they probably have a great deal more to teach us than we have to teach them about Arctic conditions?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I am very glad that this question has been asked because I discovered to my great surprise and to my great satisfaction during the trip I made last week in the north that we do employ Eskimo and Indian people as much as we can. As a matter of fact, I have seen a cadet unit at Inuvik, composed of a little more than 50 per cent of Eskimos, and which is coming down at the end of the month to the Calgary tattoo. We are very happy to have the expertise of the local people to draw on. It is the intention, of course, to try to increase their participation in the armed services.

RESEARCH

UNITED STATES ARCTIC PROGRAM—CONSULTATION WITH CANADA—CANADIAN INTENTION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question arising out of President Nixon's order that priority be given to recommendations made by the United States council on marine resources and engineering development with regard to the U.S. program concerning Arctic environmental and resource research. Has there been any consultation by the United States authorities with the government of Canada about this program or about the intentions of the United States government?

Right Hon. P. E. Trudeau (Prime Minister): I will inquire, Mr. Speaker. There was none that I know of.

Mr. Stanfield: I have a supplementary question. Would the Prime Minister also make inquiries to ascertain whether it is the United States government's intention to carry out this program simply within what is recognized as its sovereign territory, or what its intentions may be with regard to the area in the north where it proposes to conduct this research? Also, would the Prime Minister himself or have an appropriate minister make a statement to the House as to this government's intention regarding the launching of a research program in respect of the development of the north, particularly in respect of the use of Hovercraft and other similar methods of travel for investigation in the north, comparable to the program announced by the President of the United States?

Mr. Trudeau: Mr. Speaker, I will make the inquiries the hon. member is suggesting and see whether a statement is necessary.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—ACHIEVEMENT OF GOAL

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I ask a question of the minister in charge of the Wheat Board. Now that operation LIFT has been well publicized, can the minister inform the House whether the wheat reduction acreage goal of 20 million will be reached and, if not, what is the projected acreage at this time?

Hon. Otto E. Lang (Minister without Portfolio): No survey of intention has been made in a recent period to give any firm indication. Of course the farmers themselves are still making final decisions on what they will plant in the next few weeks.

Inquiries of the Ministry

ADMINISTRATION OF JUSTICE

ALLEGED INVOLVEMENT OF ARMED ROBBER WITH PUBLISHING COMPANY AND CERTAIN PROVINCIAL AND FEDERAL MEMBERS

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Solicitor General. Has his attention been drawn to the statement yesterday in Victoria by a person sentenced to 12 years for a series of armed robberies of banks and a financial institution to the effect that he was involved with a publishing company, with an M.L.A. for British Columbia, an M.L.A. for Ontario and two federal M.P.s in so far as these criminal activities are concerned and, if so, would the hon. gentleman mind looking into this allegation?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the matter has not been drawn to my attention but I will be very glad to look into it immediately.

HOUSING

ASSISTANCE BY CMHC IN PURCHASE OF MOBILE HOMES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the minister responsible for housing. In view of the drastic drop in housing starts over the past few months, is he giving consideration to making the facilities of the Central Mortgage and Housing Corporation legislation available to the increasing number of Canadians who are resorting to the larger type mobile homes to solve their critical housing problems?

Hon. Robert K. Andras (Minister without Portfolio): We are examining very diligently the question of mobile homes and, more pertinently, the application of the National Housing Act insuring apparatus for the financing of mobile homes. I hope before very long to be able to advise hon. members of the decision that may be evolved.

FINANCE

IMPLEMENTATION OF CONSUMER CREDIT REGULATIONS

Hon. Marcel Lambert (Edmonton West): My question is for the Minister without Portfolio attached to the Minister of Finance. Would he kindly advise the House what progress has been made in determining the nature of the consumer credit regulations? When does he expect to publish them, or has the government decided to postpone them indefinitely or even throw them overboard?

[Mr. Lang.]

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, progress is being made and a further announcement will be made in due course.

POLLUTION

PHOSPHATE DETERGENTS—ACTION TO CONTROL ACCELERATED WATER CONTAMINATION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of slashing price reductions now being made by supermarkets on high phosphate detergents, is it the intention of the minister to take steps to halt this accelerated dumping of pollution into our waterways pending the legislation to ban phosphate detergents altogether?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I do not think I would have any authority to do that. I think that probably the present conduct of the chain stores indicates they are taking the government's injunction seriously. They realize we mean business, that they will be cut down by August 1 as indicated, and that the government is firm in its purpose.

Mr. Speaker: The hon. member for Saint John-Lancaster.

Mrs. MacInnis: I have a supplementary question, Mr. Speaker.

Mr. Speaker: The hon. member has a supplementary question. Perhaps she might be allowed to ask it.

Mrs. MacInnis: May I ask the minister whether the government will consider buying up the stocks of high phosphate detergents and destroying them, as they did with DDT?

Mr. Greene: Of course there is a very great difference between DDT and high phosphate content detergents. The detergent is not a poison; it is a nutrient which unfortunately gives too much life to the algae at the bottom of the lake, but the delay of a few more months after the many, many years of use of phosphate will not make a great deal of difference to the total problem.

Some hon. Members: Oh, oh!

Mr. Stanfield: This is a dangerous attitude.

BRIDGES

OTTAWA-HULL—INQUIRY AS TO NEW STRUCTURE

Mr. Thomas M. Bell (Saint John-Lancaster): In the absence of the Minister of Regional Economic Expansion, the Minister of Public Works, and the Minister of Justice, may I ask the minister who is really the big boss in Ottawa matters, namely, the Solicitor General, whether the federal government has decided to build a new Ottawa-Hull bridge across Victoria Island? If so, was approval received from all levels of government?

Hon. G. J. McIlraith (Solicitor General): I am afraid I cannot accept the hon. member's recognition of me as the big boss and therefore cannot answer the question.

Mr. Speaker: Orders of the day.

Mr. McGrath: Mr. Speaker, I wish to rise on a point of order.

Mr. Speaker: Order, please. The hon. member for St. John's East rises on a point of order.

REGIONAL ECONOMIC EXPANSION

NEW BRUNSWICK AND NEWFOUNDLAND—SPECIAL AREA PROGRAMS

Mr. James A. McGrath (St. John's East): Mr. Speaker, this will give me an opportunity to set the record straight. My point refers to a question I directed to the President of the Treasury Board. It had to do with the approval of two special area programs under regional economic expansion for New Brunswick and Newfoundland. On Wednesday last in the Standing Committee on Regional Development the minister said, in reply to a question, that both of these programs had been approved by the provinces and were being considered by Treasury Board. Yesterday, as recorded at page 5930 of *Hansard*, I directed a similar question to the Minister of Regional Economic Expansion, and he said in reply to the question regarding these two programs that they were before Treasury Board. The question that I wanted to put to the minister to set the record straight, because of the importance of these two programs, is: When did Treasury Board approve the programs, when was the Minister of Regional Economic Expansion notified, and when were the two provinces notified?

Mr. Speaker: Order, please. With the consent of the House perhaps the minister might reply to the question, but again we are faced with the situation of the Chair having taken it upon himself to give additional time to hon. members, and the hon. member for Qu'Appelle-Moose Mountain, the hon. member for Waterloo and the Minister of National Revenue were among those who were anxiously waiting for an opportunity to get the floor. I wonder whether that is a legitimate point of order but at the same time, if there is agreement that the minister should reply to the question, I have no objection. Is this agreed?

Some hon. Members: Agreed.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I am glad to see that there is a recognition of the importance of meeting the social and economic problems of these two provinces in these programs. This is part of the general government approach to reducing unemployment in these areas. In specific response to the hon. member's question, let me say that these two programs were discussed with the Minister of Regional Economic Expansion yesterday at the Treasury Board and approved.

Mr. Speaker: Orders of the day.

• (12 noon)

GOVERNMENT ORDERS

ARCTIC WATERS POLLUTION PREVENTION BILL

PROVISIONS RESPECTING DEPOSIT OF WASTE, PLANS AND SPECIFICATIONS OF WORKS, SHIPPING SAFETY CONTROL ZONES, ETC.

The House resumed from Thursday, April 16, consideration of the motion of Mr. Chrétien that Bill C-202, to prevent pollution of the areas of the Arctic waters adjacent to the mainland and islands of the Canadian Arctic be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Frank Howard (Skeena): Mr. Speaker, as other hon. members have indicated, the bill before us should not be considered in isolation but should be taken in conjunction with Bill C-203, relating to the territorial sea, consideration of which I gather is scheduled to follow the conclusion of this bill if that takes place today. It should also be considered in conjunction with some other measures which have not yet been disclosed to us. The

minister indicated yesterday in his statement that soon he will be recommending to the cabinet other measures relating to air and land pollution which are companion to the pollution control concepts which are contained in Bill C-202. He also said that matters of concern about pollution on the east and west coasts of Canada would necessitate the bringing in of legislation by the Minister of Transport (Mr. Jamieson) relating to the pollution control in those areas.

So, while the provisions of the bill before us are acceptable and endorsable, because of the other companion pieces of legislation to which the minister referred and about which we have not heard anything, we can only hope at this stage—and I use the word "hope" not in an unkind way because I am sure that this will be the case if the bill before us is any indication of government policy right across the board—that they will be as valuable in the control of pollution and in the matter of our national integrity as is the bill before us. It is because this is an extremely valuable piece of legislation, as the minister said probably one of the most important that the government has introduced in the House, that the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), the leader of our party, said yesterday that officially, even though there does not appear to be any opposition to the bill, in order to indicate our position to the world and especially to our neighbour, the United States, we would like this Parliament to take a standing vote on the bill so that every member of the House can indicate the degree of unanimity which exists with respect to this matter.

It is important, therefore, not only for the government to declare its stand but also for the representatives of the people all across the nation to indicate that they endorse this particular measure. I must say as an aside, because we are interested in the unified approach and because we feel very strongly about this matter as Canadians, without considering the philosophical approach of any particular party—otherwise I would not have bothered to pay any attention to it—that I should like to make reference to the comments of the hon. member for Burnaby-Seymour (Mr. Perrault) last evening to which I listened with a great deal of interest. Regretfully, I read into his remarks an attempt to misinterpret the remarks made by the hon. member for York South (Mr. Lewis), the deputy leader of this party, primarily in order to create confusion and divisiveness in the House where none was there and none was intended in the first place.

I point out that many, many years ago when this party to which I belong was called the CCF, 15 or 20 years ago in general terms, we had embarked upon a vigorous campaign, with our members in this House and throughout the country at elections and other times concerning the necessity of having a 12 mile territorial sea. We have no hesitation in putting that position forward and in saying that that is the identical thing we are concerned about today. Any attempt on the part of anybody to indicate that we have become lax in our position about that matter, lax in our position about Canadian sovereignty, is simply grossly misleading and is grossly misleading himself in understanding what the facts of the situation are.

Apropos of that, Mr. Speaker, I would point out that it was the party to which the hon. member for Burnaby-Seymour belongs that steadfastly and regularly, in this House and elsewhere, refused to accept the concept of a 12-mile territorial sea. They maintained that three miles was as far as we could go because the Americans objected to anything more than three miles, and because that distance was established in the days when one could shoot a cannon out no more than three miles. But I go no further with this, Mr. Speaker. I only say it in passing because this debate involves our integrity, our honour, and the pride we should have in ourselves, so that we should not allow ourselves to follow the red herrings tossed out from time to time by those who seem to have spent their political lifetime engaging in that activity.

For many years there has been an erosion of Canada's integrity. There has been an invasion of our national structure, an invasion of our national concern about ourselves. The result of successive governments over the years operating under the guise of co-operative relations with the United States has been that the United States has really placed Canada in a position of subservience. Successive Canadian governments, with their oversensitivity about the matter of co-operation between nations on the North American continent have contributed to our being in that subservient position. This attitude that has been reflected over the years in military matters. It has certainly been reflected in economic matters, where a stronger and stronger control over our economy has been developed by companies outside Canada, most of them in the United States. Our lack of action in

connection with our territorial seas since 1964 has been dictated primarily by the attitude that the United States has had on this subject. Here we have an opportunity, the first one in a long time, to make a declaration in a firm way, which will start us on another course.

I have not always been highly appreciative of the things which the Minister of Indian Affairs and Northern Development (Mr. Chrétien) has announced in this House. I have not always endorsed the programs that he has introduced or the statements he has made. Not always have I applauded the minister on the bills he has introduced or the declarations he has made about different things. But here is an instance, from my point of view really the only one in the minister's tenure of office as head of that department, where we can unreservedly applaud him and indicate our full support for the intentions he has.

On the matter of the territorial sea we have some thoughts to express because even in the Arctic we are involved in declaring a territorial sea, and in declaring straight base lines from which that sea should be measured. We have had such legislation in force in Canada since 1964 but at no time has this, or previous governments, given any indication that it is developing any geographic co-ordinates for the Arctic archipelago, or for the whole Arctic area, or for any part of it, from which straight base lines the territorial sea, and up until now the fishing zones, would be measured.

In fact, the east and west coasts were ignored for many years so far as straight base lines were concerned, and some parts of those coasts are still wide open. We feel, they should be enclosed as inland waters behind a straight base line. If the minister closes this debate in a formal way, I hope he will be able to give us some indication about the intentions of the government with respect to the geographical co-ordinates in the Arctic, but not the type of declaration that Senator Paul Martin used to make when he was Secretary of State for External Affairs. He told us that the base lines would be drawn before the end of 1964. He said there was no doubt about that, and that that was the firm intention of the government.

We would like to know, and I am sure the people in the Arctic would like to know, what progress is being made with respect to developing the geographic co-ordinates and, so far as we are concerned, drawing them in such a way as to enclose the waters between the islands as inland waters. A few of the bodies of water of breadth that I have in mind are, Amundsen Gulf, Lancaster Strait and McLure Strait. Even though they are broad bodies of water, we believe they should be enclosed within straight base lines, so that we would then be declaring sovereignty by establishing straight base lines around the entire Arctic archipelago. We would be declaring that the islands within that circumscribed area were ours, that the waters between the islands in that circumscribed area were inland waters, and that we were exercising our sovereignty over them.

In addition to that, there is the provision in the bill with respect to the 100 nautical mile limit for pollution control. This is something that it is important for the committee to understand, and about which the people of Canada should receive information. They would then be in a position to more fully endorse the position of the government, and the position which I am sure Parliament will exhibit by unanimously supporting the minister's bill.

In the minister's introductory remarks, right at the start, he indicated that there were four primary interests in the Arctic. Presumably, these are the four primary reasons for the introduction of the bill. He mentioned the security of Canada, the economic development of the north, the preservation of the ecological balance, and the continued high stature of Canada in the international community. I think the continued high stature of Canada in the international community is more window dressing than a real reason for doing something. We should be doing something in this field, and I am sure the minister would agree, not because of any attempt to maintain public relations with the rest of the world but because of our concern about matters affecting the Canadian nation.

The security of Canada is a different matter. It is rather an unknown term. It could be given many interpretations or connotations. I would like to think of it in terms of political security, political integrity and economic security. These are the ones we are talking about. Today the Minister of National Defence (Mr. Cadieux) issued a press release with respect to placing a national defence unit at Yellowknife. I think this would probably indicate that if need be, and if the tests came right down to it, we intend to preserve the security of the nation by military means, although that really is an extension of the security concept beyond that which we nor-

mally accept. We do not want to get involved in military engagements in order to preserve our own unity and integrity but the fact that military personnel are there and that we look north gives some substance to the ideas about security. Sovereignty is something which we have to declare for ourselves. It comes from the establishment of straight baselines and the declaration of everything within them as inland waters, from a declaration that anybody who moves in there does so through our grace and decision. It is not a matter of open right as is the case with respect to international waters. Sovereignty must first be declared and then secured if the need arises.

• (12:10 p.m.)

The matters of ecological balance and the economic development of the north are also two major reasons why we should be proceeding with legislation of this type. The population of the Northwest Territories is only 30,000 to 35,000 people and is widely scattered. The communities are small and most have no economic base whatever, so the economic development of the north will be concentrated in a few areas. In the north, as elsewhere, we find that development often hinges almost exclusively on the production of raw materials and does not take into consideration development that might revolve around processing operations, manufacturing, or secondary industries that might derive from future development of natural resources. The development should not be based only on an extractive industry from which the raw materials have to be transported to the southern regions of Canada or, worse still, to other countries for processing. We must embark upon a program for the fullest possible development of these resources as close to the production site as possible, not just extract ore, reduce it to mineral concentrate to be exported for processing and thus deprive local people of jobs. This is the sort of economic activity we want to see taking place.

I notice that the minister, in his statement about the economic development of the north as one of our primary interests, did not outline any other type of economic development that he had in mind for the area.

Mr. Chrétien: Mr. Speaker, I should like to ask the hon. member a question. Is he aware that in the agreement which we signed with Anvil Mining in Yukon we put a lot of pressure on them to have a smelter there and that we will have to reconsider the situation a few years from now? It is a very important part of the agreement that the aim of the government is to have more processing in the area rather than just export the concentrate.

[Mr. Howard (Skeena).]

Mr. Howard (Skeena): Yes, Mr. Speaker, I am familiar with the program with respect to Anvil Mining Corporation. What I am putting on the record now is in support of the government's position about Arctic sovereignty and the economic development involved in it. But in order to give some cognizance to the integrity of the people there, we must go full scale into the program of further processing.

In passing, Mr. Speaker, I would mention that while the minister referred to the economic development of the north in the second paragraph of his speech, he did not expand beyond that. I think this should be spelled out so that other countries would know of our concern with this problem as well as with the all-important problem of pollution.

Mr. Chrétien: Mr. Speaker, I should like to inform the hon. member that I shall be making a speech on Monday at Portland, Oregon and I shall touch on the point he has mentioned.

An hon. Member: Don't touch on it, really hit it.

Mr. Chrétien: I am a polite man.

An hon. Member: Sock it to them.

Mr. Howard (Skeena): If the hon. Minister would like to give my regards to some friends of mine in Portland and give me the credit line, I would not mind that too much.

There is no question, Mr. Speaker, about our concern with pollution control and many speeches have been made about it in this House. We have dealt with the need for control of our environment, the need for reducing and eliminating pollution. More than at any other time in the history of the world, we are perilously close to the extinction of life as we know it if we continue to pollute air, land and water. This appears to be the opinion of many ecologists and biologists, and some believe that it may happen within two or three generations. They say the devastating effects of pollution are worse than the prospect of nuclear war, yet it goes uncontrolled and ignored by many sections of the economy. There is no necessity to become involved in discussions about the need for pollution control, and this is another reason we endorse what the government has presented in this bill.

We will have other comments to offer on this subject when the territorial seas and fishing zones bill is debated and will be looking forward to the proposals which the minister intends to present to cabinet regarding air and land pollution factors in the north as a whole. We hope that the minister will be able to develop his legislative ideas and be in a position to present them to us in regard to air pollution, fisheries and also shipping matters when the committee considers Bill C-202.

The hon. member for York South pointed out just the other day that this very important move on our part was done in isolation, without regard to the desires of the committee or the interests of any other members of the House. Perhaps this is not the correct procedure to follow in developing such important legislation. For a long time we have not had any exhibition on the part of government of the pride we, for our own self-respect as a nation, should show. Our national honour demands that we speak about matters of sovereignty with a clear and single voice. By precept and example, this Parliament has to show the Canadian people and the rest of the world that we are proud of our integrity, of ourselves and of our inheritance. We must show to future generations that we have their concern at heart as well, and that we consciously and deliberately, as a matter of policy, want to leave a legacy about which our younger people, our children and those who are yet unborn will likewise feel proud.

• (12:20 p.m.)

As human beings and as Canadians, we have no moral or ethical right to destroy our resources, or to accept the short term, fleeting economic benefits and thus sacrifice the economic interests and well-being of those who come after us. For these and other reasons we say to the government, not that we are right behind you on this matter, but that on the question of being pro-Canadian and endorsing the government's position on sovereignty, we are right with you. We hope you do not lag.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I should like to say a few words about the international law aspects of this bill. Before I do so, I should like to congratulate my colleagues, the hon. member for Laprairie (Mr. Watson), who is the chairman of the Standing Committee on Indian Affairs and Northern Development, and the hon. member for Coast Chilcotin (Mr. St. Pierre), who did a fantastic job in working with our caucus and the government in helping to bring forward this bill. I think both hon. members deserve a lot of credit for the work they have done behind the scenes and in this House with respect to this legislation.

Some hon. Members: Hear, hear.

Mr. Allmand: When this bill and its companion bill, C-203, were given first reading and the Prime Minister (Mr. Trudeau) announced Canada's reservation with respect to the world court, I was a bit dismayed—not with the provisions of the bill, but with the reservation. As a supporter of the rule of law in international disputes, I do not like to see, in ordinary circumstances, reservations brought forward with respect to the jurisdiction of the world court. However, on my second examination of the bills I saw that what we had done actually was a spur to the development of international law in connection with pollution control. I firmly believe that by introducing and passing these bills we shall be developing international law relating to pollution.

As has been stated before, the present international law relating to the high seas is heavily loaded in favour of the shipping interest and provides as much as possible for free access of shipping to all parts of the seas. This orientation, developed over many centuries, probably favoured international trade and commercial shipping. The law of the seas was developed mainly by the ship-owner nations. Consequently, if Canada had agreed to allowing this legislation to be tested in the world court, we should have both gone to a court and submitted to a law heavily weighted against us and against any type of pollution control.

I might also say that in recent years the world court has not been known for its liberal interpretation of international law. If anything, it has been a very conservative court and has interpreted whatever international law there is in a very restrictive manner. This does not mean that the government rejects the international rule of law; far from that. Last fall members of the government attended the international conference in Brussels and tried to obtain some international agreement on pollution control on the high seas and in territorial waters and contiguous zones. However, such agreement could not be obtained, mainly owing to the position taken by ship-owning nations. Yesterday the minister said that Canada is still ready to work towards such a treaty. He repeated this again and other ministers repeated it after him.

There has been some discussion regarding the concept of sovereignty. The Leader of the Opposition said yesterday that by introducing these bills the government is, in fact, abandoning sovereignty over our northern waters. I really think that in stating that he is grasping at straws. I feel that not only are we asserting our sovereignty, but we are laying the groundwork for further legislation respecting the north that may become necessary. When a government, Mr. Speaker, legislates with respect to a given territory, in this case the Arctic waters, it is claiming sovereignty over that territory with respect to the subject matter of the legislation. Sovereignty, like ownership, is not an absolute right. Surely, those who live in Canada should recognize that; after all, we live in a federal system. When we legislate with respect to an area, that legislation is an expression of sovereignty over that area. Other expressions of our sovereignty in our Arctic are to be found in our icebreaking role in these waters, in our weather stations; in our defence stations; in our outposts coming under the Department of Northern Affairs, such as schools and health institutions; in our supply lines coming under the Department of Transport; in our RCMP stations, and so on. All these things are an expression of our sovereignty in the north. This legislation is a further expression of our sovereignty, not only in the northern islands but also in the Arctic waters, because the legislation relates particularly to the Arctic waters.

Let me say, Mr. Speaker, that there never has been any question on the part of the Canadian government or any government with respect to our sovereignty over the Arctic islands and the sea bed between the islands which is part of the continental shelf. I know this has been stated before but there is still much confusion in the minds of some Canadians on this matter. Some feel that there is some dispute with respect to our sovereignty to the islands and the continental shelf on which some mineral and oil exploration is taking place.

As the Secretary of State for External Affairs mentioned yesterday, much of the international law of the sea originated as customary law. It was only later put into international conventions and treaties. This customary law was developed because certain states took unilateral initiatives in order to protect their own interests. As they did this, the customary law relating to the high seas developed. This was done with respect to the three-mile limit and also with the 12-mile zone. This same concept was later extended to embrace the continental shelf doctrine. As a matter of fact, if one looks at the history of the development of international law, one will see that it arose from customary law. That customary law developed and finally became international law, largely because of unilateral initiatives taken by certain states. As time went on, these customary laws were put into treaty form.

For many years no one questioned our jurisdiction over the Arctic waters because there was no incentive, nor any means, for any one to use those waters for commercial purposes. Now, there have been great discoveries of oil and other minerals in the Arctic, and accompanying technological developments which have enabled super-tankers to be built. As a result, there is now a tremendous risk of pollution on a massive scale in the Arctic. If the Canadian government does nothing to protect these waters, nobody else will. We are the only nation in a position to do something about pollution control in those waters, and we must do something.

I might say that I would be pleased to see some similar type of legislation introduced for pollution control with respect to the waters off our east and west coasts. I do not know if we should require 100-mile limits there, such as we are proposing in the north, but certainly we must do something to prevent junky tankers run by irresponsible shipping companies from traversing these waters in an irresponsible way and bringing the risk of pollution to our coasts. We have had experience with the *Arrow* off our east coast. If one looks at the *Torrey Canyon* and the Santa Barbara disasters, one can appreciate that ships travelling between 50 and 100 miles off our coasts can encounter disaster and be shipwrecked.

• (12:30 p.m.)

The countries that will suffer are those that have coastlines closest to such disasters. Something must be done to protect the coastlines of those states which provide important shipping passages. I suppose Canada will continue to press for international agreement at the international conferences. If we do not get agreement at these conferences, we must take some kind of unilateral action on our east and west coasts to protect against the same sort of thing we are protecting against in the Arctic. There may be risks in upsetting other states by introducing legislation such as this, but in

my opinion it is better to take risks by action to protect Canada and Canada's interests then by taking risks of no action.

Mr. Erik Nielsen (Yukon): Mr. Speaker, it is surprising to me that there have been doubts expressed by this government on the question of Arctic sovereignty. There seems to be conviction on the other side that the government has been consistent in expressing with force and positiveness its claim to Arctic ownership.

The Secretary of State for External Affairs (Mr. Sharp) has come as close as any minister in the cabinet to stating in a positive fashion any claim to sovereignty. It is important for the government to speak with one voice. One should expect the Prime Minister (Mr. Trudeau), the head of the government, to be forceful and unequivocal about Canada's claim to her Arctic regions. He has not been forceful. He has stated with clarity that the intent of the legislation that we are now discussing is not to assert sovereignty over the north. I am not saying something that is new. My friend and seatmate put it on the record last night. I think in order to put the matter in its proper perspective we should once again refer, particularly the Minister of Indian Affairs and Northern Development (Mr. Chrétien) who has a vital concern in this and all northern matters, to the statement of the Prime Minister. It should again be put on the record and judged for what it is.

I say that the Prime Minister has yet to make a positive, strong statement claiming Canada's ownership of her Arctic areas. This is what my friend put on the record last night. When discussing these bills with the press, the Prime Minister said:

> This is the first bit of legislation—it is not an assertion of sovereignty,—

Perhaps the member who just resumed his seat might pay attention to the words of the Prime Minister. The hon. member seems to be under the misapprehension that positive statements have been made. At this press conference the Prime Minister said, and I quote:

> —it is not an assertion of sovereignty, it is an exercise of our desire to keep the Arctic free of pollution and by defining 100 miles as the zone within which we are determined to act, we are indicating that our assertion there is not one aimed towards sovereignty—

This is the Prime Minister speaking.

> —that our assertion there is not one aimed towards sovereignty—

That is for the enlightenment of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand).

> —but aimed towards one of the very important aspects of our action in the Arctic.

To me that means the Prime Minister, by this legislation, is not seeking to assert sovereignty over Canada's Arctic. That is what he said. Why there should be any doubt about the ownership of these lands is beyond me.

I want to deal at some length with the life of one of our more famous French Canadians. In a book entitled, "The True North" by Fairley & Israel, published in 1957, some attempt is made to resurrect the history of this gentleman who has made such a great contribution to the securing for Canada of our Arctic heritage. I quote from page 5:

> It is possible that only one Canadian out of a thousand has heard of Captain Bernier. Perhaps only one in ten thousand knows anything of his life. History plays strange tricks, giving fame to one man, denying it to another. Yet Admiral Richard E. Byrd, himself a famous explorer, has called Bernier "the dean of arctic explorers". And in 1926, the Toronto *Star* said, "It has to be admitted that Bernier is our great arctic pioneer and years ago he kept arctic questions before Canadian statesmen and the Canadian when our interest was at a low ebb. He, more than any man, kept Canada from tossing away its arctic inheritance."

This book is the story of how Captain Bernier went about doing just that. The work of Captain Bernier really commenced in earnest after the conclusion of World War I. Prior to the war, he was commissioned by the Canadian government to make annual patrols throughout Canada's Arctic archipelago. It outfitted a ship which he called the *Arctic*. These patrols were made on an annual basis. After the war the nature of the patrols changed because of the increasing interest in geology and other activities in these Arctic areas.

In the summer of 1925, when the matter really came to a head and aroused sufficient interest to be debated with seriousness in this House, a situation arose between Canada and the United States, coincidentally, which could have caused a good deal of unpleasantness between our two countries. As accounted in "The True North", the situation arose in this way:

> Two Americans had decided to attempt an airborne trip to the North Pole. One was Donald B. MacMillan, a Canadian-born explorer who had become an American citizen. The other was Richard E. Byrd, later to be internationally known as a conqueror of both Poles, then a young commander in the U.S. Navy. Long before the two men set out on their attempt, the newspapers were filled with accounts of their preparations.

Indeed, the United States Congress went so far as to give a direction to the expedition that they were to cast about and see what lands up there were still up for grabs, to use the terminology of the Prime Minister. When some Members of Parliament heard of this plan, they raised the question in the House of Commons. I will be referring to the debates of 1925 in a moment. The upshot of that debate was an answer in the affirmative. It stated very positively that all land between the 60th meridian and the 141st meridian straight up to the Pole was Canadian territory. They asked how the Americans could then go through these waters and over these lands, overflying Canadian territories, without some kind of a permit or, as it was put in the debate, without asking permission. This question of asking permission certainly has a very relevant bearing with respect to the voyages of the *Manhattan* recently. The answer in the Canadian Parliament at that time was that there could be no MacMillan-Byrd expedition unless there was permission granted.

• (12:40 p.m.)

If MacMillan had asked permission, permission would probably have been granted, since the request itself would indicate acknowledgment of Canadian ownership. The Canadian newspapers of the day seized upon this debate and broke out in an angry rash of protests. If it were policy in 1925, incidentally under a Liberal government, that permission had to be obtained for an expedition of the size and importance of the MacMillan-Byrd expedition, why has government policy changed so as not to require the obtaining of permission when the same country sends the same kind of expedition in the shape of the *Manhattan*? MacMillan did, in fact, obtain permission from the Danish government to base his expedition on Greenland. But he made no attempt to get in touch with the Canadian government. Again, Bernier's work comes sharply into focus in the manner in which he insisted upon Canadian sovereignty in our Arctic.

The MacMillan-Byrd expedition proceeded by vessel, with the intention of over-flying Canadian territory. The ship was anchored in the proximity of one of our Arctic islands in Etah harbour when Bernier came on the scene in the course of one of his patrols. He visited MacMillan on the evening of his arrival. The two men had dinner and a very pleasant conversation. Eventually, they got round to the right of the MacMillan-Byrd expedition to be where it was and carry on as it was doing. Bernier pointed out the danger of over-flying Canadian territory at that time of the year, having regard to weather conditions, and gently suggested that the expedition should turn around and go home. A couple of days later, that is exactly what they did. As a result of this mission, carried out with great friendliness at that time, MacMillan was convinced of Canadian ownership and when he returned to the north in subsequent years he was very careful to take out a licence obtained from the R.C.M.P. for a token payment. I commend this account of Bernier's life to the Prime Minister if he has any doubt about the right of Canada to assert sovereignty over the Arctic, as it appears he has.

I wish, now, to refer briefly to Bernier's own autobiography. Those interested in our claim to Arctic sovereignty will be able to find it in the Parliamentary Library. Entitled "Master Mariner and Arctic Explorer", it is a narrative of 60 years at sea from the logs of Captain Bernier, and it was printed by Le Droit in 1939. An interesting feature of Captain Bernier's life is that he was one of those in the Province of Quebec who bought his wife at an auction sale conducted in that province. I did not know this practice prevailed anywhere in Canada. His wife brought with her a dowry from King Louis of France—Louis XV, I guess it was. Anyway, she brought with her a dowry of $12.50. I was surprised to learn that this practice prevailed in Canada. The patrols which Bernier instituted and carried on were the result of co-operation between Sir Wilfrid Laurier, Sir Robert Borden and the Right Hon. Arthur Meighen. This policy of licencing the users of our Arctic waters was one which both governments of the day endorsed.

Mr. Speaker, in view of the important event which is about to occur at ten minutes to one, an event of international interest, I wonder whether I might call it one o'clock?

Some hon. Members: Agreed.

An hon. Member: Very thoughtful.

At thirteen minutes before one o'clock, the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Nielsen: Mr. Speaker, I just want to correct an error that I made before the adjournment with regard to the bartering of brides in Quebec. It was under the reign of

Louis XIV that this policy was established through the colonization plans of the great Colbert. The bachelors were watched with a vigilant eye. They were not given land or allowed to travel or engage in trade. But when they chose a bride many privileges became available. Their brides were dowered by the King. The bride of Jacques Bernier brought him 25 écus two and a half guineas, or $12.50. Certainly, $12.50 was worth a good deal more then than it is today.

• (2:10 p.m.)

Anyway Bernier says at page 323 of his own biography, and the book is shot through with phrases of this nature:

—I took possession of Ellesmere Island and all the islands explored by the Sverdrup expedition and then hastened homeward—

The last Canadian island in the Arctic to be taken for Canada was one taken by Wilhjalmur Stefansson in 1915. This account, in 1908, by Bernier in his log is very interesting, and I am reading from page of 343 of his book "Master Mariner":

Dominion Day was celebrated by all on board; all our flags were flying and the day itself was all that could be desired. At dinner we drank a toast to the Dominion and the Premier of Canada; then all assembled around Parry's Rock to witness the unveiling of a tablet sculptured by J. V. Koenig, our first engineer, and placed on the Rock, commemorating the annexation of the whole of the Arctic archipelago. I briefly referred to the important event in connection with the granting to Canada by the Imperial government on September 1st, 1880, all the British territory in the northern waters of the continent of America and Arctic ocean, from 60 degrees west longitude to 141 degrees west longitude, and as far north as 90 degrees, that is to say to the North Pole. Three cheers were given in honour of the Premier, and the Minister of Marine and Fisheries of Canada, and the men dispersed for the balance of the day to enjoy themselves.

There was no doubt in those days that Canada owned her Arctic. In the debates of 1925 when Mr. Stewart, who had the same responsibilities now discharged by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) but was called the Minister of the Interior, said at page 4083 in answer to a question from Mr. Garland, then the member for Bow River:

If expeditions from foreign countries desire to go into that north country I think the least they can do is to obtain a permit from the government of the Northwest Territories to enter what is clearly our land.

Again, at page 4084 Mr. Stewart answered a question by Mr. McQuarrie. Mr. McQuarrie asked:

How far north does the jurisdiction of Canada extend? Do we take in the North Pole?

Mr. Stewart said:

We claim that we go to it.

Mr. McQuarrie said:

The minister has heard that the United States has laid claim to the North Pole.

Mr. Stewart said:

Canada claims the territory outlined between the degrees of longitude 60 and 141 but I have nothing to say regarding any claim the United States may make. They have Alaska and naturally they will lay claim to land north of their territory there, which would be adjacent to ours.

Mr. McQuarrie then asked:

Will they have the North Pole?

Mr. Stewart replied:

I do not suppose any nation can lay claim to the North Pole.

Mr. McQuarrie then said:

I am serious in the question.

Mr. Stewart said:

In order to protect Canada's interests we have made our position clear. According to international law we can claim any territory lying one hundred miles off our explored coasts. But no one knows definitely what land there is in the unexplored region; to reach it the explorer must go either from the coast of Alaska or through Canadian territory.

Mr. Stewart made it clear in the debates of that year that at that time Canada laid claim to all of the Arctic archipelago between degrees 60 and 141 up to the North Pole. Why then must we hear our Prime Minister say today that the legislation is not an assertion of sovereignty, but rather an exercise in our desire to keep the Arctic free of pollution? We heard the Secretary of State for External Affairs state yesterday during an exchange between the minister and my seat mate that there was no divergence of opinion between himself and the Prime Minister. Then, the hon. member asked him how he explained the statement of the Prime Minister in a press release concerning this legislation in which he said:

This is the first bit of legislation—

It is not an assertion of sovereignty; it is an exercise of our desire to keep the Arctic free of pollution—

And then further on, it is stated:

—we are indicating that our assertion there is not one aimed towards sovereignty, but aimed towards one of the very important aspects of our action in the Arctic.

I should like to hear the Secretary of State for External Affairs speak up in asserting Canadian sovereignty in the North, and I would urge upon him to convince the Prime Minister to do the same thing. After all, the work of one of Canada's finest sons from the province of Quebec was largely responsible for securing a great deal of our Arctic land and waters. Are we now to listen to, much less tolerate, another famous sons of Quebec in the form of a Prime Minister say we are not asserting this valuable work of Joseph Bernier? It would appear so.

We have heard the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) go through a list of the ways in which Canada is asserting her sovereignty in the Arctic. He says it is not necessary to legislate sovereignty. He says we have asserted sovereignty as a result of the establishement of weather stations. I ask him to look at the composition of those weather stations; they are not all Canadian. He says we establish our sovereignty in the Arctic by the establishment of military stations and detachments. I ask him, where are these?

The Minister of National Defence (Mr. Cadieux) has released an announcement to the press that he intends to take this gigantic step of establishing military bases in the north, and will patrol some 1,750,000 square miles of Canada with 50 soldiers. This action has been taken after they destroyed the military installations at Whitehorse which comprised 250 air force personnel and a similar number of army personnel. I understand there is now a re-awakening of interest in the north and the Minister is putting in 50 soldiers.

Mr. Cadieux (Labelle): Mr. Speaker, if I may be allowed to correct the hon. member, there are now 400 men permanently stationed in the north. What we are planning to do is increase this activity. For instance, I am announcing an early exercise by the air arm regiment with a strength of a thousand. You are talking about 35 people but I am talking about the headquarters.

Mr. Nielsen: We are going to have a headquarters staff of 50 people. As far as military exercises are concerned, we have had these over the years—exercise Beaver and goodness knows how many more in the north. What is the minister of defence asking the people of Canada to believe? This is obviously an effort to gain publicity at a time when the Prime Minister has raised grave doubts about the sovereignty of Canada over her northern regions. We are rushing forth with our fists in our pockets and saying we are establishing sovereignty now. We are going to send another 50 soldiers into the north. It is a simple exercise of mathematics, to divide 450 soldiers into 1,750,000 square miles to discover how effective that sort of assertion is going to be in connection with Canada's sovereignty in the north.

Much more has been accomplished since the days of Bernier when he assisted in setting up the first mounted police post on Ellesmere island. He was responsible largely for setting up subsequent mounted police posts. The same situation applies to our establishments in connection with the activities of our geologists, health facilities and our weather facilities in the north. Basically, the people of Canada believe that the sending of 50 soldiers to Yellowknife to set up a headquarters to manage 400 men, which in itself is—

Mr. Cadieux (Labelle): You are distorting the facts.

Mr. Nielsen: If I am distorting them, I do not want to.

Mr. Cadieux (Labelle): You know that.

Mr. Nielsen: I do not know that I am distorting the facts at all. The minister has said there are 400 soldiers in northern Canada. That is not distorting the facts.

Mr. Cadieux (Labelle): No, you said there were only 50.

• (2:20 p.m.)

Mr. Nielsen: Yes, 50 of them are making up the headquarters staff. I am using the minister's own explanation. The setting up of a headquarters in Yellowknife comprising 50 soldiers to manage 400 men is questionable management, but no one can ask the Canadian public to believe that this is somehow reasserting sovereignty over Canada's Arctic regions. The fact remains that our Arctic extends from the 60th degree of longitude to the 141st and up to the North Pole. The fact remains that that was the position adopted by Sir Wilfrid Laurier, by Sir Robert Borden, by Mr. Meighen, by Mackenzie King, and by the former Conservative Prime Minister, Mr. Diefenbaker. Yet, all of a sudden it is negated by this Prime Minister when he says we are not asserting our sovereignty over the Canadian Arctic.

Mr. Sharp: In this legislation.

Mr. Nielsen: All right, I will go along with the Secretary of State for External Affairs,

but let the Prime Minister stand up on his two feet and say to all and sundry that Canada owns everything between the 60th Meridian and the 141st Meridian and up to the North Pole. Let him do that.

Some hon. Members: Hear, hear.

Mr. Nielsen: I commend the Secretary of State for External Affairs for doing just that yesterday in debate, but surely the Prime Minister should do that also.

Mr. Sharp: He said it too.

Mr. Nielsen: He did not; he said quite the contrary.

Mr. St. Pierre: Would the hon. member permit a question? He said he examined the sector theory as put forward by Senator Poirier in 1903? If he had, he would not be making the statement he has.

Mr. Nielsen: In answer to the hon. member, I would say that I have examined the theory and I still stand by what I said. Before that theory ever became a theory, Canada was asserting her sovereignty over the Arctic.

Mr. Dinsdale: That is only one claim.

Mr. St. Pierre: Would the hon. member permit another question? Is it correct that in the assertion of the sector theory Canada laid claim to all land which might be discovered within that sector, and similar action was taken by Tsarist Russia in 1917?

Mr. Nielsen: Absolutely, and well before that Canada was asserting that very claim made by Bernier which accounts for his log of 1908 and for the policy of the government of the day. My friend will recall the test of that theory that the United States made when they sent a warship into the Russian sector, the progress of which was impeded by the stationing of Russian warships across the passage, following which the U.S. warships turned around and did not proceed farther.

Mr. Hogarth: Would the hon. member permit another question? Would he explain to me, for my information, what was the exact theory put forward by the gentleman referred to in 1903?

Mr. Lundrigan: That's a stupid question.

Mr. Nielsen: I would dearly love to do that if the House would give me unanimous consent to continue for another 30 minutes.

Mr. Lundrigan: The hon. member would not understand it anyway.

Mr. Nielsen: There is another point I would like to make. I heard the leader of the New Democratic Party say that there are three historical precedents for the action that the government is taking now and justifying it on that basis. As one hon. member opposite put it, we in Canada have a right to take the action that we are taking now in this Parliament as a matter of self-defence, on the basis that we had to combat pollution effectively. This brought to mind the U.S. action taken with respect to the missile emergency that occured in Cuba, when Russia was supplying the material and the missiles to establish offensive bases in Cuba. The United States took unilateral action on the high seas to stop those ships, and theoretically if for no other reason, one must conclude that it was to prevent the polluting of Cuba with missiles. The fact is that they acted unilaterally, and if they can do so with respect to a situation like that, I suggest that Canada has a similar right. Whether we have the means to enforce it is quite another matter, because no one in all reason will advance the proposition that we should either be rattling the saber or preventing the intrusion of foreign vessels in our Arctic waters by any offensive unilateral action.

Mr. Aiken: That is all we have left.

Mr. Nielsen: Yes, as the hon. member for Parry Sound-Muskoka (Mr. Aiken) said, that is all we have left. What the Canadian government should do—and I advance this as one who lives in the north and sees the many errors of past Canadian governments of all political stripes—is to take up the torch where Bernier laid it down, to his great credit, and where the government of the day took it up and asserted in no uncertain fashion that Canada owns the Arctic land. They went to the extent of requiring anyone sailing the waters between the islands in our Arctic and overflying the land and waters in our Arctic to be licensed. This government has not the courage to even require vessels like the *Manhattan* to obtain permission. This is wrong. This is pussyfooting so far as sovereignty in the Arctic is concerned, and it is selling our heritage down the river, a heritage which Bernier worked so effectively and ambitiously to secure for Canada.

The policy of the government should be clear. It should be to follow the precedent set by both Liberal and Conservative govern-

ments in the past and to insist on the users of all areas in Canada's Arctic between the 60th meridian and the 141st meridian and up to the North Pole obtaining permission to use these areas, or indeed, as was the policy in 1925, to require a licence.

The Prime Minister should take the earliest opportunity to make a strong and positive statement which would clear the air of any doubt as to Canada's claim of sovereignty over the whole of the Arctic archipelago. He is not doing it by the introduction of this kind of legislation which the Leader of the Opposition (Mr. Stanfield) was quite right in describing as only raising further doubts. If, as the Secretary of State for External Affairs said, we have sovereignty over all of these waters which are considered internal Canadian waters, why then must we advance legislation in this House which restricts that sovereignty to 12 miles or 100 miles, whichever way you look at it? We do not need legislation to restrict our sovereignty, as the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) put it so well. We need not say anything about our sovereignty. We own the Arctic Islands and that is all there is to it. We own the whole of the area between the 60th meridian and 141st meridian and up to the North Pole. That was the policy and that should continue to be the policy, and the Prime Minister should say so.

Some hon. Members: Hear, hear.

Mr. F. J. Bigg (Pembina): Mr. Speaker, the bill before the House is an important one. It is only a few weeks ago that I recommended immediate action with regard to international co-operation in pollution control. Little if anything was done, not that I expected it to be done because I spoke, but events of history have proved with dramatic suddenness how urgent the international problem has become. I do not think that we should be bogged down in semantics. I do not think the problem is whether, in fact, we have the necessary armed forces to go up to Canada's Arctic Islands and maintain the old style physical control over all those islands.

• (2:30 p.m.)

I should have thought that by now we were becoming mature in world affairs. I do not refer to Canada alone, but hopefully the whole world is becoming mature in this day of trips to the moon and international co-operation. But here we are again, apparently bogging down in semantics. It seems to me we

[Mr. Nielsen.]

are not taking a big enough view individually, as political parties, as a nation, and certainly not as international brothers.

With respect to the problem of pollution and the handling of it from a very high level, it is obviously out of Canada's control. The problem may well become nothing but an international political football in a big power game. I have in my hand a letter I received from the U.S. Information Service. I presume it has all the validity of the U.S. State Department behind it. I have no reason to believe it is not an official document. It is datelined Washington, April 15, so is not ancient history. Part of it reads:

Following is the text of a Dept. of State's statement on the government of Canada's bills on limits of the territorial sea, fisheries and pollution.

They lump the two bills together, C-202 and C-203, and it is very hard to discuss one without thinking about the other. I am certainly not anti-American. On the contrary, I look to the United States very strongly and sensibly for assistance, not only in the preservation of our own identity as an independent nation but in continuing to develop what has been loosely called our western way of life. Whether the Prime Minister (Mr. Trudeau), the Minister of National Defence (Mr. Cadieux), the government in general, or Parliament itself states that these islands are ours, I am not sure is important. The important thing is to discuss the matter openly and in a friendly manner, not only with the Americans but with the international people the Americans themselves suggest should be consulted.

It is difficult to discuss this matter without taking an historical look at it. I wonder how the State Department's suggestion that all things should be done on an international basis and settled by international agreement—I go along with that at this stage of my argument because I think ideally we should have international agreement—fits in with the Munroe doctrine under which the whole world is supposed to leave the Americas alone? I wonder what the Organization of American States would have to say in reply to a document coming from one of the other power groups of the world, telling any independent nation or so-called independent nation how it should behave?

I am not saying that the Americans should not have issued this release, but it is obvious that they are attacking the matter from a very selfish point of view. The Eskimo people are willing Canadians. I have heard no state-

ment from the Eskimo people that they would like to secede. If you took a proper empirical approach to the matter and you whine about people having a right to earn their living on their own land, and about the self-expression of peoples, which are some of the prime theories behind the formation of the United Nations organization, then I wonder what the Eskimo people would say if all the emphasis were placed on the land masses and it was stated that sovereignty over the waters that lie between the islands was not a meaningful thing?

Up until the recent development of oil resources in the north country, the Eskimo people relied entirely on the marine and animal life which lived on the ice and in the water between the islands. These waters between the islands were of vital importance to the Eskimo way of life. Who cared about these Eskimo people? The Canadian people cared. The Canadian taxpayers sent mounted police up there to occupy each and every one of the major islands under our flag. We gave those people our assistance through law and order, through medical attention, and in every other way in which we could co-operate with them. We gave them the security which they occasionally did not have among themselves. We maintained decent order in the north. Apparently, we gave them that which they appreciate because never, as far as I know, have they indicated that they wanted to leave the Dominion of Canada.

Unless the Americans are willing to sit down with us, as we are willing to sit down with them, and discuss this matter openly, friendly and consistently, in terms of the free determination of the rights of peoples—in this case the Eskimos—I think it would be an exercise in futility. But I am not cynical about it. The Americans have stated their position. They may sound inflexible, but I think we are in a good bargaining position. Because of their power and wealth, the Americans find themselves a very lonely nation. But they are not always lonely because they are wrong. They may be lonely because they are the big brother, because they are powerful, because they are rich, because no doubt sometimes they are greedy, and because they are arrogant. I think loneliness is the worst thing that can be inflicted on any member of the human race.

Collectively and individually Americans want to be understood and admired, instead of being the target of an awful lot of rotten propaganda coming from every corner of the world, with 90 per cent of which I do not agree. Nobody loves them except us. Little Canada is the only real friend they have in international affairs. One of the reasons is that, by and large, we have been treated pretty well by them. By and large, we are happy to have their money here to develop our almost unlimited resources. But I do not think this means that we have to be soft or subservient. On the contrary, I think it is time that our government stated in explicit terms to the Americans just what our hopes are and the area over which we have jurisdiction. I do not think we should get bogged down in semantics. The Canadian archipelago islands of the north are an economic unit. The ice between the islands is essential to the native people who have the greatest interest and right to sovereignty over those islands.

• (2:40 p.m.)

Mr. Nielsen: Judge Morrow decided that.

Mr. Bigg: Yes, the courts decide things but from time to time their decisions are reversed. I am appealing on the principle of humanity. When this note recommends that we go to the international courts I presume the recommendation is based on principle since there is very little international law on the subject. In so far as the power group I mentioned earlier is concerned, we should not let ourselves become a pawn in this big power game.

I find it strange, Mr. Speaker, that the people who shouted the loudest about these principles of peacekeeping, understanding and world co-operation rather than shaking an empty fist in mock fury should be the first ones to delay a plan for consultation. One of the most important things is to go to the bargaining table with a clear idea of your requirements. In order to achieve our ends our best brains should be selected for the negotiations, particularly with the United States, because that country is in a position to help us maintain that sovereignty. At the present time we are militarily incapable of enforcing sovereignty.

We know only too well that the moral support of the world, if we were to rely on that, breaks down in the face of military strength. In this regard I only have to mention the fate of some of the small nations. If Hungary wanted to come from behind the iron curtain, to whom would she appeal? If Cambodia wanted the foreign troops marching through her country to go home, to whom would she appeal? The International Court of Justice

would only make a statement that all foreign troops should go home but we know they would not go home until some greater power sent them.

There is only one thing that will bring us any kind of lasting peace in the world, Mr. Speaker. This will be when each nation is willing to give up some of its sovereignty to a well co-ordinated League of Nations, a United Nations, with a peacekeeping force capable of maintaining law and order. International affairs are not so much different from human affairs. A policeman on duty on Saturday night will not be able to maintain law and order if he is not given the authority. An International Court of Justice decision on Canadian sovereign rights in the Arctic would be without force if nations like the United States and the Soviet Union chose to ignore it.

And so, Mr. Speaker, I welcome the text of this note from the United States. I understand that the President of the United States has spoken to our Prime Minister by telephone and I hope they agreed to endeavour to solve this problem in good faith. I hope it will not come to any sort of a show of strength. Sending our troops into the Arctic is not going to achieve a great deal at this stage—indeed it amounts almost to comic opera.

The government should come out with a clear statement that for the last 50 years Canada has laid claim to the whole archipelago of the north, maintaining responsibility for the native population and the ecology of the land and sea. It would not be a sign of weakness if we put our emphasis on the council table, as long as we have a plan for full co-operation in the development of our western way of life as well as the protection from pollution of the whole of the Arctic. We are already respected as world citizens and as we develop we should put emphasis in the right places.

Mr. Howard (Skeena): Would the hon. member permit a question, Mr. Speaker?

Mr. Bigg: Yes, indeed.

Mr. Howard (Skeena): I should like to ask the hon. member, as he has made a number of references to the bargaining table and to negotiations, if he would mind telling us who is going to be on the other side of this bargaining table and what it is we have to negotiate?

Mr. Bigg: Mr. Speaker, I think every nation in the world has an interest in the pollution of the seas. Perhaps there is an argument, as mentioned in this text, in favour of sharing sovereignty so that the international seaways of the world could be open for commerce and for peaceful purposes. I should like to think that people who are asking for that right would be willing to tax themselves and to co-operate with us in every way possible to avoid marine disasters in the north. If they want to share our sovereignty, they should be willing to share the cost.

• (2:50 p.m.)

Incidentally, the Northwest Passage route was pioneered by the same mounted police who maintained law and order in that part of the country and made friends with the people who lived there. If it had not been for the pioneering work of ships like the *St. Roche*, and Sergeant Larsen of the mounted police, perhaps the *Manhattan* might not have gone as far as she did. We did that at our own expense. Now, it is patently ridiculous for anyone to say that we have no vested interest in the Arctic. Whether or not our interest is exclusive is a matter for the bargaining table. I think the mere fact that Canada is willing to sit at the bargaining table and seek the advice and co-operation of others, and the fact that we have faith that other nations of the world are willing to do something in this area with us, in itself is an exercise of our sovereignty. On the other hand, the mere shaking of the sword at the present time would probably be ridiculous and not bring us any closer to answering the question of how we are to assert the sovereignty of our country.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, I enter this debate to point out one or two things that I think are most important. From the newspapers and from information we have obtained from the Secretary of State for External Affairs (Mr. Sharp) we have learned that our good neighbour to the south is taking some exception to the provisions of this bill. I think it is interesting to note, Mr. Speaker, that as long ago as 1954 nations got together in an attempt to arrive at some agreement which would prevent pollution of the high seas. An agreement was reached in 1954 by some 22 nations. That agreement simply set out that the countries that were party to it, the 22 nations, would have the right to impose fines on shipowners of the other signatory nations when the ships involved discharged oil within 50 miles of the shoreline of any participating nation. That

was the first step in this area, and it was a very mild one. It is significant to note that Canada was a party to that agreement, as were the governments of the United Kingdom and Japan. The United States government was not. For the United States government now to come forward and say that we, Canada, ought not to take this action without first trying to solve this problem by way of international meetings and agreements I think is a little far fetched.

In 1962 there were further consultations with respect to the accord which was reached in 1954. At that time, the agreement was amended so that the countries involved could assess penalties against shipowners from participating nations whose ships discharged oil or any other such effluent within 100 miles of the coastal areas. Again, none of the nations involved in the pact were given the right to regulate ships belonging to the signatory nations, so that even though ships belonging to participating nations travelled within the restricted area, other participating nations were not able to take steps which would prevent pollution. Nor was there any provision to cover the accidental discharge of oil or other effluent within these limits. I think it can be easily seen, and I think we all agree, that those measures certainly were not effective enough in combatting those problems which today have become so serious.

Then, again, in November of last year the nations of the world met in Brussels and attempted to hammer out some sort of international agreement to meet this problem; unfortunately, no agreement was reached. So, today, we are introducing this legislation at a time when we are very, very vulnerable. As yet we have no law to protect us from these large super-tankers which are sailing the seas just off our coasts. There will be more of them in future and they will range, as I understand it, between 250,000 and 300,000 tons. If we do not act now but wait until a disaster occurs, I think we shall be derelict in our duty as a nation. We must look after the best interests not only of the people of Canada but of the whole continent.

It is true that by taking the action which is now proposed we may enter into a possible confrontation with our good neighbour to the south and other nations of the world. But I think it must be realized that we are a different nation from the nation to the south. We have different purposes and different interests. The people of Canada must be aware of this and prepare themselves for possible confrontations in future involving not only this area but also other areas. These will take place as our country grows and as our neighbour to the south grows and develops. I think, also, that the announcement made yesterday in the United States is very significant. The President of the United States has doubled the amount of money which is ordinarily made available for purposes of naval research. He has doubled the amount of money to be spent on Arctic research. This money is to be used, as I understand it, to develop some sort of skimmer or surface craft, similar to the hovercraft, which is to be used for research in the Arctic. This step was announced only yesterday. We too must move, I submit; we must move now and show no timidity in asserting our rights. Our duty is to protect the people of our country and the people of the continent. Their rights and the rights of all Canadians will be upheld if we support this bill with everything we have.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I will not take much of the time of the House at this particular stage of the discussion on these important matters. I understand that we will be proceeding to consider Bill C-203 immediately upon the conclusion of this debate. It seems to me that this is where the real crunch of the issue will take place. Since all hon. members who have spoken in this debate thus far have indicated they are in favour of the purposes of Bill C-202, which are, as the title says, to prevent pollution of areas of the Arctic waters adjacent to the mainland and islands of the Canadian Arctic, it would be like opposing motherhood if one were to raise a discordant voice with respect to the purposes of this bill. In these days everybody is fighting the pollution battle. In many respects I think we are tilting at windmills.

As I hear hon. members beating their breasts with patriotic fervour and saying that we must resist any intrusion on Canada's fundamental rights in the Arctic—the Minister of National Defence said just a moment ago that we are reinforcing our military defences in the Arctic to the tune of some 50 personnel—I received an impression similar to that which Don Quixote created when he was tilting at windmills. Nobody disputes the necessity for dealing as quickly as possible with the potential problem of pollution of our Canadian Arctic environment. I use the word "Canadian" intentionally, because it is the Canadian Arctic that we are speaking about. Also, the

growing problem of pollution affects not only that part of Canada, but it affects the environment of the world as well.

• (3:00 p.m.)

As I listened to the discussion this afternoon it occurred to me that the thinking of Canadians, Members of Parliament, and particularly the members of the Liberal government, has come a long way during the past ten years. Only ten years ago, for example, there was on the part of the Liberal Party no great interest in the economic potential of the Canadian Arctic. They regarded the emphasis of the Conservative government of that day as a misplacement of priorities. The same applies, and I can say this fairly, with respect to the general problem of pollution. I recall when this party moved in 1964 the following motion of non-confidence in the government, in the days when supply motions were permitted in the House:

> This house condemns the neglect of the government in failing to establish a co-ordinated national water policy and in ignoring the imminent national crisis in water resources management, which is evidenced by the critical low water levels of the great lakes and other national waters, the increasing pollution of national waters, and the urgent necessity of conserving water resources for the benefit of national resource development in Canada—

I remember that the bored response to that motion of only six years ago was to the effect that with all the other burning questions of great priority, why was the Conservative opposition wasting its substance on a colourless subject like water? Today we are all aware that there is a major crisis in controlling and preserving our water resources. In 1964 we were perhaps concerned more with political pollution than with environmental pollution.

Mr. Baldwin: Political pollution is much worse now.

Mr. Dinsdale: This is a problem with which the people of Canada will have to deal: unfortunately, it is beyond the capacity of members of the opposition. In due course the people of Canada will have their opportunity because we still have free elections in this country.

We are supposed to be in great confrontation with the Americans over this unilateral declaration on the part of the Canadian government respecting the control of pollution in the Arctic. There would be no confrontation—I do not want to belabour this point because the hon. member for Yukon (Mr. Nielsen) and other spokesmen for this party have demonstrated the case beyond any shadow of doubt—and there would be no jurisdictional dispute if the government would accept the simple responsibility of declaring in no uncertain terms the principle of Canadian Arctic sovereignty. This has been done by all Canadian governments since Confederation. I do not have to enumerate the legal precedents which have been quoted to support this point.

Perhaps politicians have been quoted most frequently during the course of the debate. Each of our Prime Ministers has been quoted with the exception of the present Prime Minister (Mr. Trudeau). In addition, some officials of the Canadian government have reinforced the statements of the political leaders of the nation. We are living in a day and age when the power of the public administration is a growing and formidable one. Sometimes the viewpoint of the public administrators are of equal force, if not more so, than the public expressions of the political leaders.

I have here a statement which was reported in the Canadian Yearbook of International Law, 1968. In an article entitled "Innocent Passage in the Arctic," by A. Donat Pharand, we find these words:

> Ivan Head of the University of Alberta, writing at a time when he was in the Canadian Department of External Affairs, was much less doubtful about the legal nature of those waters and the Canadian policy relating thereto. He wrote in the following terms: "Canada regards the water between the islands as Canadian territorial waters, and this claim has been recognized by the United States. Prime Minister St. Laurent reported to the House of Commons in 1957 that United States vessels servicing DEW line stations are required to apply to Canada for waivers of the provisions of the Canada Shipping Act before proceeding."

That is the end of the quotation of Professor Ivan Head, as he was in those days. I do not know why there is so much uncertainty in the bosom of the government in respect of this matter. If there is no uncertainty concerning Canada's sovereignty over the Arctic archipelago and the waters in between, there is no problem with respect to exercising our responsibilities in matters of pollution. Why all the beating of the breasts and the feeling that we have to reinforce our position in order to beat off any confrontation by the United States? We have not been able to get the documents from the government of Canada, but we do have a copy of the statement that was delivered in Washington on April 15, 1970. The statement reads, at page 2, paragraph 3:

> Moreover, the United States is acutely aware of the peculiar ecological nature of the Arctic region,

and the potential dangers of oil pollution in that area. The Arctic is a region important to all nations in its unique environment, its increasing significance as a world trade route and as a source of natural resources. We believe the Arctic beyond national jurisdiction should be subject to internationally agreed rules protecting its assets, both living and non-living, and have noted with pleasure the Canadian Prime Minister's public statement that Canada would be prepared to enter into multilateral efforts to develop agreed rules of environmental protection.

The sour note in there is the reference to "we believe the Arctic beyond national jurisdiction". Even though Ivan Head stated in the article I quoted that there was no dispute on the part of the American government with respect to Canada's claim for sovereignty over the Arctic, this now seems to be changed if we consider the statement made in Washington the other day. This means it is more important than ever that the government of Canada, the people of Canada and all the responsible leaders of Canada should speak with no uncertain voice concerning the matter of Arctic sovereignty.

Mr. Sharp: Then support us.

Mr. Dinsdale: We have been trying to push the government for several months. We have been trying to push the Secretary of State for External Affairs and the Prime Minister. This is where the whole debate began. If the Arctic is ours, we can come to the conclusion, on the basis of the latter part of the American statement which I quoted, that they are only too happy to co-operate with Canada in the matter of protecting the environment. Why all this tilting at windmills in connection with the present legislation?

• (3:10 p.m.)

Oil exploration in the Canadian High Arctic first began in 1961. In 1961, Dome Petroleum brought in a drilling rig via Montreal. It was carried across Canada from Calgary to Montreal and then loaded on a Danish ship, the *Thora Dan,* and taken through the Northwest Passage to Winter Harbour on Melville Island. In those days there was very little up-to-date information available to this group which was interested in exploration for oil in the north; it was necessary to go back to the archives and look up the charts which had been deposited there after the Peary expedition of the last century. This suggests that if the government intends to implement adequate controls in connection with the legislation now before us, it must move quickly to acquire the facilities and the means of doing so. I do not think very much progress has been made.

In the course of his opening statement in this debate, the Minister of Northern Affairs (Mr. Chrétien) expressed the view that if we really intended to come to grips with environmental control it would have to be done on the basis of international co-operation. The Prime Minister has also enunciated this principle, although he has contradicted himself in many respects. Former Secretary of the Interior Udall was one of the leaders of the war on pollution. He wrote a book, "The Quiet Crisis", which became a classic in the field when it was published in 1962. The book eloquently expresses the nature of the danger with which we are now endeavouring to wrestle. It has crept upon us silently and suddenly, almost overnight.

Unfortunately, we have lost ten years in getting to grips with a situation which was all too obvious when the Resources for Tomorrow Conference was held in 1961. One of the major recommendations of that conference was that there should be a management body with the comprehensive powers necessary to protect and preserve our water resources. In those days the Canadian and United States governments were working closely together to develop policies on environmental control. I would think that once the spokesmen for the government of Canada begin to speak with one voice on this matter it would be possible, instead of confronting the United States in this area, to work together with that country.

After all, our physical and biological environment is no respecter of natural boundaries. This is an international threat, and just as we have depended in the past upon the superior techniques and resources of the United States to deal with so many problems on the North American continent, so it will be necessary to approach this one not from the standpoint of confrontation but from the standpoint of co-operation.

Members of the Liberal Party are experts at raising straw men and knocking them down. I remember that the great issue in 1962 or 1963 was the failure of the Canadian government to co-operate with the United States government in continental defence. Those were the days—it was in the fifties—when the question was whether we should fly the Canadian flag in the Arctic: hon. members got into a great dither when it was discovered that Old Glory was flying there instead of the Red Ensign, as it was in those days. In the 1963 election Liberal spokesmen were beating

their breasts again, saying we must stick together with our glorious American ally to ensure that this continent was adequately defended. Now they are reversing their stand and trying to pick a fight with the United States on an issue where there is no quarrel at all. As we move toward Bill C-203 we might hear the trumpets sounded in clear tones by the Secretary of State for External Affairs.

An hon. Member: A cracked trumpet.

Mr. Dinsdale: If that is done, there is no need to pursue the debate on Bill C-203 at the present time, though it will be important to ensure in committee that it is adequate to carry out the difficult task with which it professes to be concerned, to ensure that the United States government recognizes Canadian sovereignty and in doing so will work co-operatively with Canada in the task of controlling our polluted natural environment in the North American region.

Mr. Jack Cullen (Sarnia): Mr. Speaker, at the outset it was not my intention to participate in this debate.

An hon. Member: A good idea.

Mr. Cullen: I am sorry the front bench of the opposition thinks so little of the backbenchers on this side of the House, but I shall try to improve that situation as we go along.

Mr. Dinsdale: Your own front bench takes the same attitude.

Mr. Cullen: Earlier speakers described the bill as being bold and imaginative, and I assumed this attitude would be universally accepted.

Mr. Dinsdale: It is.

Mr. Cullen: I was surprised to hear the hon. member for Brandon-Souris (Mr. Dinsdale) say we had taken no interest in the Arctic until approximately ten years ago. I assume that this period dovetails with the period the Conservative Party was in power. I would point out to the hon. member that the International Nickel Company was in 1950 known as the Canadian Nickel Company and was undertaking mining exploration in the Northwest Territories. The company received the utmost co-operation not only from the Department of Transport, which set up communications and landing facilities, but from the Department of National Defence and our United States allies who at that time were stationed at Churchill, Manitoba. This is only one instance that I am aware of, having worked for the company at that time.

[Mr. Dinsdale.]

• (3:20 p.m.)

I know from personal experience that the Canadian government at that time—a Liberal one, if you will—saw that there was a future in the north and were doing something in a positive way about it. So this is not something brand new or dreamed up only ten years ago.

Mr. Dinsdale: It goes back to 1867.

Mr. Cullen: That was a pretty good year. This piece of legislation is bold and imaginative in that I see it establishing for Canada a kind of green belt around the Arctic, an area where we have some control. We are passing this legislation as an indication that this is our land and that these are our waters, that we intend to see that they are not polluted by ships such as that which sank in Chedabucto Bay.

Mr. Nielsen: Let us see your black belt.

Mr. Cullen: I will introduce some members of the opposition to my black belt leader if they do not quieten down. In this particular area Canada does have jurisdiction. Not only have we the opportunity but we have the obligation to pass the kind of legislation that is before the House today. The Minister of National Defence (Mr. Cadieux) indicates that Canada will establish a headquarters there and station armed forces personnel in the area. I suggest it is picayune for the hon. member for Yukon (Mr. Nielsen) to argue about numbers. I can think of large areas of the Arctic where one Mountie had sole jurisdiction, and at that time there was no suggestion that Canada did not have sovereignty simply because there was only one Mountie for such a large expanse of territory.

However, I compliment the hon. member for Yukon on the kind of work and research that he has obviously done. I found the comments that he made about history and the declarations that were made on behalf of Canada very interesting. They will be most helpful if it should become necessary to sit down at a table to discuss our rights to this particular part of Canada. I was a little disappointed that the hon. member for York South (Mr. Lewis) indicated that this was a question we should have taken to the world court.

Mr. Lewis: I did not say that. Read what I said.

Mr. Cullen: I do not want to misquote the hon. member, of course.

Mr. Lewis: I regretted that we had to do it.

Mr. Cullen: I am sorry. I suggest that the hon. member gave the impression that we had made an error in this regard, and that the world court was in fact up to date on technical matters. I submit that this is an entirely new area, something with which the world court is not competent to deal. In going to Brussels and attending other meetings of nations, Canada was quite correct in stating that we must do something about old ships that are crossing the oceans, that they should have more steel in their hulls and be equipped with protective devices and additional pumping facilities so that if they are wrecked it will be easy to pump out oil and control pollution. However, shipping nations and shipowners saw fit not to accept this suggestion. We have tried to negotiate but other countries have not listened. Consequently, we have said to them, "If you won't do it, we'll do it, and do it unilaterally".

My main reason for speaking at this time, Mr. Speaker, is to tell the House that this is not a new matter. Canada has had an interest in the Arctic for years. This kind of legislation and the sort of action we are taking as far as our armed forces are concerned is long overdue. I salute the government for having the guts to take this step. To those who have any doubt about how the Prime Minister feels about this question I would recommend the speech he recently made in Toronto. Rather than misquote him or pick out just a few points from his speech, I would recommend that hon. members read the entire speech, one which was so good that the press gave him a standing ovation. That itself speaks loud and clear for the position that has been taken by the leader of this party.

Mr. Howard (Skeena): Mr. Speaker, may I direct a question to my hon. friend?

Mr. Cullen: Yes.

Mr. Howard (Skeena): If, as the hon. member says, it is correct that we should reserve and not submit to the international court our position with respect to the 100 nautical miles of pollution control, would he agree that it should be equally valid for us to exclude the 12-mile territorial sea limit from the jurisdiction of the international court, inasmuch as this is more important in terms of sovereignty?

Mr. Cullen: With the greatest respect, Mr. Speaker, I feel that because so many countries have adopted the 12-mile limit, and since this is an area which is within the jurisdiction and competence of the world court, that court should deal with this question. I have little or no fear that they would also find in favour of Canada's position with respect to the 12-mile limit.

Mr. Baldwin: Mr. Speaker, on a point of order at this time, may I say that pursuant to an arrangement that has been reached I propose to move a motion to adjourn this debate. Before doing so I should like to set out the foundation for the motion. It is understood that this debate will be now adjourned and that the House will move on to Bill C-203. After introduction of that bill by the Secretary of State for External Affairs (Mr. Sharp), that debate will be adjourned and the House will call it four o'clock. These two bills will then come back to the House on Wednesday.

Unless the President of the Privy Council (Mr. Macdonald), after meditation and prayer—something I would recommend to this government—has changed his mind, this is the understanding. If that is so, I accordingly move, seconded by the hon. member for South Shore (Mr. Crouse):

That this debate be now adjourned.

Mr. Lewis: Mr. Speaker, would the House leader for the official opposition say whether it is also understood that when we come back to Bill C-202 on Wednesday we will proceed straight to a vote—that there is no intention of continuing this debate on Wednesday?

Mr. Baldwin: That had been my understanding, Mr. Speaker. There were a number of volunteers from the other side, and unless the volunteers continue we are perfectly prepared to have a vote on Wednesday; if necessary, a recorded vote.

Mr. Lewis: We agree.

Mr. Forest: Mr. Speaker, I believe that is the agreement, and we will vote on Wednesday next.

Mr. Deputy Speaker: In any event, there is a motion before the House, moved by the hon. member for Peace River (Mr. Baldwin). In view of the fact that the hon. member for South Shore (Mr. Crouse) has already spoken, perhaps the hon. member would agree to let the hon. member for Lethbridge (Mr. Gundlock) second the motion.

Mr. Baldwin: I would be delighted, Mr. Speaker.

Motion agreed to.

TERRITORIAL SEA AND FISHING ZONES ACT

PROVISION OF TWELVE-MILE TERRITORIAL SEA, ELIMINATION OF CONTIGUOUS FISHING ZONES

Hon. Mitchell Sharp (Secretary of State for External Affairs) moved that Bill C-203, to amend the Territorial Sea and Fishing Zones Act, be read the second time and referred to the Standing Committee on External Affairs and National Defence.

He said: Mr. Speaker, the proposed amendments to the Territorial Sea and Fishing Zones Act contain two major provisions: the first would establish the territorial sea of Canada at 12 miles in substitution for the present limit of three miles, and as a result would eliminate the present nine-mile fishing zone which would become incorporated within the 12-mile territorial sea; the second would authorize the government, by Order in Council, to create exclusive Canadian fishing zones comprising areas of the sea adjacent to the coasts of Canada.

There are a number of reasons why the government is proposing to extend its territorial sovereignty from three to 12 miles. Basically, the reason is that the limited fisheries jurisdiction which Canada at present exercises over the outer nine-mile zone is no longer sufficient to protect the full range of Canada's vital coastal interests. The 12-mile territorial sea would have the following advantages: (a) it would provide the comprehensive jurisdictional basis which Canada requires to enforce anti-pollution controls outside Arctic waters off Canada's east and west coasts up to 12 miles from the baselines of Canada's territorial sea, rather than merely three miles as at present; (b) it will permit Canada to expedite the conclusion of negotiations with the European countries which have been permitted to continue their fishing activities in Canada's 9-mile fishing zone; (c) it will further protect Canada's security interests by permitting Canada to exercise greater control over the movement of foreign ships.

• (3:30 p.m.)

The legal regime of the territorial seas permits the coastal state to determine whether a particular passage is innocent. This bill extends that right for Canada up to a distance of 12 miles from the territorial sea baseline. All the reasons why a state requires a three-mile territorial sea apply with equal vigour to the 12-mile territorial sea. From the point of view of security, the danger is removed farther offshore and the coastal state can take all measures open to it on its own territory within a wider belt of 12 rather than three miles.

[Mr. Deputy Speaker.]

Mr. Nielsen: Mr. Speaker, may I ask the minister a very brief question? Since yesterday he described all the Arctic waters as internal waters, would that not result in the conclusion that innocent passage would be prevented.

Mr. Sharp: I intend to deal with that question a little later in my address, Mr. Speaker. Then (d) since the inner limit of the continental shelf is measured from the outer limit of the territorial sea, the 12-mile territorial sea will have the effect of pushing the inner limit of Canada's continental shelf seawards a distance of nine miles.

Mr. Speaker, the U.S.A. government has made clear its willingness to accept a 12-mile territorial sea provided this is achieved by multilateral agreement and not by the continuing development of customary law through state practice. The Canadian government sympathized with the U.S. desire for agreed rules of law on these questions. Canada has repeatedly shown its good faith in the multilateral approach to these questions by participating vigorously and constructively in every effort in the last 40 years to achieve agreed rules of law on the breadth of the territorial sea and the nature and extent of contiguous zones.

I do not wish to belabour the point, but I would remind the House and the international community that Canada attempted to get agreement first on a three plus nine basis—three-mile territorial sea and nine-mile contiguous zones—in 1958, and when this did not prove possible we campaigned for the famous "six plus six" formula comprising a six-mile territorial sea and six-mile contiguous zone for certain purposes. We warned that the law was developing toward wider and wider assertions of territorial sovereignty and that the international community must recognize the legitimacy of extension of jurisdiction beyond the territorial sea for limited specific purposes. Unfortunately, we had only limited and belated success in enlisting the support of the U.S.A. for our proposal.

Later, in 1960, we campaigned very actively for the six plus six formula. We made representations in capitals all over the world through our diplomatic representatives there. Might I point out parenthetically that our efforts then and the exercise in which we are now engaged require the existence of a well trained foreign service and the presence of Canadian representatives in capitals all over the world, for many reasons, but particularly when we are seeking the support of the international community, as now, for a Canadian initiative. The hon. member for Coast Chilcotin (Mr. St. Pierre) called yesterday in his very able speech on the Arctic waters pollution prevention bill for such representations by Canadian representatives. Mr. Speaker, we are very fortunate in having a foreign service generally accepted as one of the very best in the world, and our representatives are already engaged in making representations of the sort referred to by the hon. member for Coast Chilcotin.

It will be recalled that in 1960 our proposed six plus six formula fell short of success by a fraction of one vote. We did not, however, even then, abandon the multilateral approach. We joined with the United Kingdom in canvassing countries around the world to ask them if, in spite of the failure at Geneva, they would none the less join with us in a multilateral agreement based on the six plus six formula. We pressed the U.S.A. to join with us in these representations, but the U.S.A. declined.

Subsequently, when as a result of our extensive and protracted canvassing efforts we and our British friends found that we had the support of over 40 countries for such a proposal, provided the U.S.A. and other major powers would agree, we approached the U.S.A. again with this evidence. Unfortunately, we were told, after waiting a further period of many months for the U.S.A. reply, that the U.S.A. did not consider it timely or appropriate to join with us in our efforts. Mr. Speaker, I hope it will not be taken as a sign of anti-Americanism but merely as an affirmative sign of Canadianism for me to say that we really are not prepared, in light of these developments, to accept the proposition that it is always desirable to proceed multilaterally instead of unilaterally.

I mentioned yesterday that we decided in 1964 that it was necessary to do it alone, and so we did, we passed the Territorial Sea and Fishing Zones Act laying down the legislative basis for delimiting the territorial sea from straight baselines rather than from the sinuosities of the coast, and established a 9-mile fishing zone contiguous to our 3-mile territorial sea. Subsequently, we established straight baselines over long stretches of our coast. The United States, while expressing its disagreement with our legislation, followed suit in 1966 in establishing its own 9-mile fishery zone. It is, however, a reflection of the close and friendly relations between our two countries that it was agreed from the outset on both sides that the fishermen of either country would be allowed to fish freely in the contiguous zones of the other. This remains the Canadian position with respect to any new Canadian fishing zones.

There are now in process discussions in many capitals concerning the desirability of a third Law of the Sea Conference, the agenda for such a possible conference and many other difficult and delicate questions. The United States has made known, as has the Soviet Union, that it would be willing to support an agreement providing for a 12-mile territorial sea, a high seas corridor through international straits and certain limited rights to coastal states over offshore fisheries. As I have stated previously, we will participate actively in any such conference. We cannot, however, accept the notion that a coastal state's fisheries conservation and protection jurisdiction must cease at 12 miles from shore.

The developments since 1960 have proved that there is no magic in the 12-mile limit. Unlike the deer and bears in national parks, who become aware after a period that they are safe when they enter the sanctuary of the park, the fish do not seem to know that they are safe—except of course from Canadian fishermen—when they enter the 12-mile limit. Massive fishing expeditions by other states covering the surface of the sea with trawlers and mother-ships are rapidly depleting the living resources of the sea. We cannot wait longer for the international community to realize the danger and move to meet it. Once again, Canada, after long and serious deliberations, has decided to go it alone.

I shall now turn to the question in which all parties have expressed great interest, namely, the implications of the establishment of a 12-mile territorial sea for Canada's Arctic sovereignty. I should like to emphasize that there is no difference of views concerning Canada's sovereignty over the islands of the Arctic archipelago nor Canada's sovereign rights to explore and exploit the mineral

resources of Canada's northern continental shelf. There is no need even to comment concerning Canada's long established and universally accepted sovereignty over the land. I did hear some comments today from several members which seemed to suggest they have some doubt about this. I did not think anyone had.

With respect to the seabed, Canada is a signatory of the 1958 Geneva Convention on the Continental Shelf which recognizes the "sovereign rights" of coastal states over the continental shelf adjacent to their coasts for the purposes of exploring and exploiting its natural resources. The convention specifies that these rights are exclusive in the sense that if the coastal, state does not explore the continental shelf or exploit its natural resources, no one may do so nor make a claim to the continental shelf without the express consent of the coastal state.

Mr. Lewis: Would the minister restate that sentence, because there seems to be something wrong with it?

Mr. Sharp: I thought so, too.

Mr. Lewis: I said restate it; I did not mean re-read.

• (3:40 p.m.)

Mr. Sharp: The convention says that the rights are exclusive in the sense that even if the coastal state does not exploit them they cannot be exploited by other states without the express consent of the coastal state itself. The convention provides, also, that the rights of coastal states over the continental shelf do not depend upon occupation, effective or notional, or on any express proclamation. The convention defines the continental shelf, and this is a point of some importance, as "the seabed and subsoil of the submarine area adjacent to the coast but outside the area of the territorial sea, to a depth of 200 meters or, beyond that limit, to where the depth of the subjacent waters admit of the exploitation of the natural resources of the said areas." Of particular interest with respect to the Arctic is that in defining the shelf the convention makes clear that it applies also "to the seabed and subsoil or similar submarine areas adjacent to the coasts of islands".

Canada is engaged, in its capacity as a member of a special UN committee on the seabed, in active discussions and negotiations concerning the development of a legal regime for the peaceful use, in the interest of mankind as a whole, of the seabed beyond national jurisdiction. Such discussions may inevitably develop into consideration of a new and more precise definition of the area where the new international regime is to apply and, thus, where national jurisdiction ends. The Canadian government knows of no basis, however, for any doubt concerning Canada's sovereign rights over Canada's northern continental shelf, and I feel no need to elaborate further on this issue.

Turning to the status of the waters, members of the House are aware that the United States government has publicly called into question the Canadian view that the waters of the Arctic archipelago are Canadian. We respect, of course, the right of the United States to their view, but we cannot and shall not abandon the long-standing Canadian position on this question. The government was criticized yesterday concerning the possible effects of the Arctic pollution prevention bill and the bill we are now debating upon Canada's claim that the waters of the Arctic archipelago are Canadian.

I referred yesterday, in reply to that point when it was made by the Leader of the Opposition (Mr. Stanfield), to the decision of the Permanent Court of Arbitration in 1910 in the North Atlantic coast fisheries case between Britain and the United States. The subject matter of that dispute was the privileges enjoyed by the inhabitants of the United States, in common with British subjects, to the fisheries of Newfoundland, Labrador and other parts of the North Atlantic coast. In particular, the historic bays of Newfoundland, such as Chaleur, Conception and Miramichi were called into question.

The tribunal referred to the argument of the United States that Great Britain during the period preceding the hearing of the case had abandoned its claims that these bays were historical, and therefore the three-mile limit should be applied to them. I propose to quote from the decision of the tribunal on this abandonment argument:

> Neither should relaxations of this claim, as are in evidence, be construed as renunciations of it; nor should omissions to enforce the claim in regard to bays as to which any controversy arose, be so construed.

It is quite clear that whether or not the Canadian government chooses to establish at this time its claim to the whole of the waters of the Arctic archipelago by drawing straight baselines from island to island so as to enclose the waters, the fact that this government does not draw such baselines, and that

previous Canadian governments have not done so, does not thereby weaken our sovereignty claim.

Similarly, the establishing of a 12-mile territorial sea and the establishment of pollution control zones in these waters cannot be construed as an abandonment of the Canadian position concerning the status of these waters. I should like to quote again from the decision of the Permanent Court of Arbitration, from which I previously quoted on this issue, as follows:

> Such a construction by this tribunal may not only be intrinsically inequitable, but internationally injurious, in that it would discourage conciliatory diplomatic transactions and encourage the assertion of extreme claims to their fullest extent.

I have made clear, as has the Prime Minister (Mr. Trudeau), that we will not back down one inch from our basic position on sovereignty but there is no interest on the part of the Canadian government in the exercise of chauvinism.

What then is the effect of the 12-mile limit with respect to the Northwest Passage? It is known that the United States regards the waters of the Northwest Passage beyond three miles from shore as high seas. I think I have already demonstrated the weakness of the legal basis for such an assertion. The 12-mile territorial sea is far too widely recognized for it to be ignored by any state. Indeed, a state that refuses to recognize the 12-mile territorial sea of another state is itself unilaterally opting out of a developing rule of law.

Since the 12-mile territorial sea is well established in international law, the effect of this bill on the Northwest Passage is that under any sensible view of the law Barrow Strait, as well as the Prince of Wales Strait, are subject to complete Canadian sovereignty. Whether or not those who disagree with us wish to allege that other waters are not Canadian, they cannot realistically argue any longer concerning these two bodies of water.

The question was asked whether Canada will admit a right of innocent passage through such waters, since the right of innocent passage pertains in the territorial sea but not in internal waters. There is considerable misunderstanding on some of the technical, legal questions involved here. Firstly, it is incorrect to argue that there can be no right of innocent passage in internal waters. The 1958 Geneva Convention on the Territorial Sea and Contiguous Zones makes specific provision for the right of innocent passage through internal waters where such waters have been established as such by means of the straight baseline system. I do not cite that rule as now applicable to these waters but merely so as to point out that the difference between the regime of internal waters, over which a state has complete sovereignty, and the regime of the territorial sea, over which a state's sovereignty is subject to the right of innocent passage, is not as clear-cut as is alleged.

There is a school of thought for example, that the status of the waters of the Arctic archipelago fall somewhere between the regime of internal waters and the regime of the territorial sea. Certainly Canada cannot accept any right of innocent passage if that right is defined as precluding the right of the coastal state to control pollution in such waters. The law may be undeveloped on this question, but if that is the case, we propose to develop it. Mr. Speaker, I hope I have said enough about the implications of this bill for the Arctic to allay any fears, real or imagined, about its effect upon our sovereignty.

Mr. Nielsen: Mr. Speaker, before the minister leaves that subject may I point out that he has not yet said, as he did yesterday with respect to the bill then before the House, that Canada asserts sovereignty over all waters between the 60th degree and the 141st and the North Pole.

Mr. Sharp: What I said is that we regard the waters between the islands as our waters, and we always have.

The fisheries provisions of this bill will provide the government with greater flexibility for completing the delimitation of Canada's exclusive fishing zones in those coastal areas where straight baselines have not so far been drawn from headland to headland. These provisions are enabling only; the creation of the proposed new Canadian fishing zones will require executive action by way of Order in Council.

Under the existing legislation Canada could not exercise exclusive fishing rights within such bodies of water as the Gulf of St. Lawrence, Bay of Fundy, Dixon Entrance, Hecate Strait and Queen Charlotte Sound. With the proposed amendment Canada could now, where appropriate, draw what might be called "fisheries closing lines" across the entrances to these bodies of water and thereby establish them as exclusive Canadian fishing zones. In this way Canada would have the

required domestic legal basis for managing the fisheries resources of these areas.

The new fishing zones will be established only where Canada's primary interests relate to fisheries, and in areas where Canada has historic claims. In such areas the bill would, in keeping with the government's approach to the question, enable us to separate fisheries jurisdiction from the complete sovereignty which states exercise in their territorial sea and internal waters. This separation of fisheries jurisdiction from sovereignty already underlies the concept of the contiguous fishing zone which has become an established principle of customary international law, owing in good measure to the pioneering activities of Canada.

• (3:50 p.m.)

In our view the application of the concept of the exclusive fishing zone to some or all of the special bodies of water in question is justified on geographic, economic and historic grounds, as well as by the urgent need to provide for the rational management and conservation of fisheries resources. Although the fishing zone concept is best established with respect to the contiguous fishing zone extending 12 miles from the baselines of the territorial sea, it is our view that the concept is equally applicable to Canada's special bodies of water.

I must emphasize that the fisheries provisions of this bill reflect our belief that there is an urgent need for bold and imaginative approaches to the problems of fisheries management and conservation and harvesting. So long as there was an abundance of fish for everyone, so long as the living resources of the sea seemed inexhaustible, it was necessary for states to exercise only a relatively limited control over the fisheries adjacent to their shores. With growing populations and the technical developments of fishing vessels and gear, which have virtually transformed fishing activities from a harvesting to a mining process, it has become dramatically evident that the resource itself could disappear. The coastal states which depend on this resource have a responsibility to ensure its conservation and to manage it on a rational basis.

Canada was one of the pioneering countries in efforts to bring about international arrangements for the conservation of the living resources of the sea. Since the beginning of this century Canada has become a party to seven international conventions which, within the scope of their limitations, have been relatively successful but which have failed to bring about a truly effective regime for the protection of fisheries resources.

The Canadian government is convinced, on the basis of its lengthy experience in this field, that neither existing customary international law nor contemporary conventional international law are adequate to prevent the continuing and increasingly rapid depletion of the living resources of the sea. It is for this reason that we propose to extend our fisheries jurisdiction in the manner I have described. It is our expectation that other governments will take similar action since it is only too evident that there is no other effective way of preventing the rapid depletion of the living resources of the sea.

It seems anomalous that whereas international law recognizes the right of coastal states to control the exploitation of mineral resources and of the so-called sedentary species of shellfish on the continental shelf adjacent to their shores, it has not yet developed an equally effective system for the management of the "free-swimming" fish in coastal areas. A coastal state may licence foreign entrepreneurs to exploit the mineral resources of its continental shelf, but so far only a few states have taken a similar approach to controlling the exploitation of coastal fisheries resources.

Now that the world is becoming aware that living resources are not infinitely renewable and that they can indeed be exhausted or depleted by overexploitation or wiped out by means of pollution of the sea, it is vitally necessary to apply to the exploitation of these resources some of the techniques which have been developed for offshore mineral resources. The action now being taken by Canada is a step in this direction, a step toward a more logical and systematic approach to the management of living marine resources.

Exclusive rights to harvest may be necessary, but they are not an end in themselves. The end we have in mind is conservation and rational management, and for this purpose we require jurisdiction. That jurisdiction, however, does not rule out the possibility of sharing fisheries exploitation with other countries; it does, however, allow us to set rules for that exploitation, to impose licensing requirements if necessary and thus to share the financial burden of conservation as well as the financial rewards of exploitation.

Following the establishment of Canada's new fishing zones we intend to conclude negotiations for the phasing out of the fishing activities of the countries which have traditionally fished in the areas concerned, namely, Britain, Norway, Denmark, France, Spain and Italy. With respect to the fishing activities of the United States in these areas, it is intended that they should continue on the basis of the ad referendum agreement on reciprocal fishing privileges we have recently negotiated with that country. Apart from traditional fishing practices, the United States and France also have certain treaty rights off Canada's east coast, and these rights will of course be respected.

Before concluding, Mr. Speaker, perhaps I might refer to the note which was delivered to our ambassador in Washington on April 14 and the reply which he delivered yesterday on behalf of the Canada government. When the question was raised by opposition members two days ago, I made clear that we had already requested the U.S.A. consent to dispense with the usual diplomatic practice of declining to publish exchanges of notes, but that I would none the less raise the question again. Our ambassador has since stressed to the State Department the importance of publishing the exchange so as to lay at rest, once and for all, the misinformation appearing in Some American newspapers to the effect that the United States note contained threats. I have already assured the House that the note contained no such threats and that the summary of the note published by the State Department accurately summarized its substance.

We have today received the response of Secretary of State Rogers to my proposal that the text of the diplomatic note of April 14 be published. His response is as follows:

> The Secretary of State regrets that he cannot agree to the proposal of the Canadian government that we depart from the usual diplomatic practice of not publishing exchanges of notes between governments in the case of our note of April 14, 1970, relating to the introduction by the Canadian government of legislation on pollution in the Arctic, fisheries and the limits of the territorial sea. Because of the public interest in the matters discussed in the note the United States did include the substance of its note in its press statement of April 15, 1970.

Therefore, Mr. Speaker, I am now tabling—with the suggestion that it be appended to *Hansard*—a summary of the Canadian note. This is not the note itself but a summary of its contents.

Mr. Crouse: Mr. Speaker, before the minister resumes his seat I wonder if he would answer a question. I listened very carefully to his statement with regard to the phasing out of the traditional fishing rights which are now inside our 12-mile limit, and I believe he mentioned only seven countries. It is my understanding that eight countries have traditional fishing rights within the area that exists between the three-mile territorial sea and our 12-mile limit. One of the countries he did not mention was Portugal. Would he indicate whether these eight countries' fishing rights will be phased out? Also, since this is the same statement as that made by the Secretary of State for External Affairs (Mr. Sharp) when he spoke on this type of legislation in 1964, and since these rights have not yet been phased out, would he indicate if there is a time limit on the phasing out of the traditional fishing rights of these eight fishing nations?

Mr. Sharp: Mr. Speaker, I hesitate to attempt an answer at this time. I will take notice of this point, and either in the course of the debate, when it is resumed, or in the committee I will see that this question is answered adequately. Since these are delicate negotiations I would not want to say anything that might prejudice them.

Mr. Howard (Skeena): Mr. Speaker, I wonder if the minister would permit another question? I express thanks to the House for letting us run a bit overtime, but the matter is important. Before I ask the question I would like to welcome the minister for taking a position that we have advocated for many years, and to say we are pleased—

Mr. Speaker: Order, please. I wonder whether the hon. member wishes to ask a question because, as he knows, we would now normally call private members' business. If he does have a question to ask, he might do it at this time.

Mr. Howard (Skeena): Yes, Mr. Speaker. I understood the minister to say that the reciprocal arrangement between the United States and Canada, of fishing in each other's fishing zones, would be continued. But if this bill comes into effect, what is currently the nine-mile fishing zone will become a territorial sea. Does the same provision apply then? Will there be reciprocity so far as the territorial sea is concerned?

Prohibition of Inquiring into Arrests

• (4:00 p.m.)

Mr. Sharp: Yes, Mr. Speaker. It is my understanding that the agreement that is negotiated permits us to fish in their waters even within the three miles, and therefore we would certainly continue giving reciprocal rights to the United States.

Mr. Speaker: Is the hon. member rising to ask a question?

Mr. Fairweather: No, sir. I am rising to move the adjournment of the debate, if I may.

Mr. Speaker: We can hardly do this now as we have gone past four o'clock. It is the duty of the Chair to remind hon. members that at this time, according to Standing Orders, we should go on to private members' business. However, the table officers are looking at me and urging me to ask the consent of the House to annex to today's *Hansard* the document referred to by the hon. Secretary of State for External Affairs (Mr. Sharp). Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: For document referred to above, see Appendix.*]

Mr. Speaker: It being after four o'clock, the House will now proceed to the consideration of private members' business.

PRIVATE MEMBERS' NOTICES OF MOTIONS

JUSTICE AND LEGAL AFFAIRS

PROPOSAL TO ESTABLISH ADVISORY COMMISSION ON REFORM OF CRIMINAL LAW AND THE PENAL SYSTEM

Mr. Douglas A. Hogarth (New Westminster): I rise on a point of order, Mr. Speaker. I have on the Order Paper motion No. 26. This motion has been completely incorporated in government legislation which is before the House and I would ask unanimous leave of the House to withdraw the motion.

Motion withdrawn.

PROPOSED PROHIBITION ON INQUIRING WHETHER ANY PERSON HAS BEEN CHARGED OR ARRESTED ONLY

Hon. Marcel Lambert (Edmonton West) moved that, in the opinion of this House, the government should take all measures within its competence necessary to prohibit any one, in public or private office from making oral or written inquiry of any other person, who applies to him by reason of his holding that office, which inquiry would require that other person to disclose only, directly or indirectly, that a charge or complaint had been initiated, or information laid, or indictment preferred, against such person or that such person had been arrested only, under the criminal law of Canada, a law enacted to enforce any law of a province, or any law of a foreign state.

[Mr. Howard (Skeena).]

He said: Mr. Speaker, the purport of my motion is to draw to the attention of the House that the rights of citizens of this country are often infringed upon, sometimes through inadvertence but at other times through deliberate action in the administrative process. My motion merely states that in so far as the jurisdiction of the federal government is concerned, it will not be possible to insist that a person applying for a position, or for a passport or citizenship certificate, for instance, disclose either orally or in writing that they been charged, and charged only, with an offence; and, further, not only under a federal or provincial statute but the statute of a foreign land.

Mr. Speaker, last June it came to my attention that the Department of the Secretary of State issued form No. CR 302, an application for a certificate of citizenship by a British subject. Question No. 9 on that form had three parts which read as follows:

(A) Have you ever been charged with any offence other than a minor traffic violation?

(B) Have you ever been fined for other than a minor traffic violation or sentenced to a penitentiary, prison, gaol or reformatory?

(C) Have you ever been committed to a hospital for mental diseases in Canada? If so, give full and complete details.

In the month of November it came to my attention that the Canada Manpower Centre when hiring temporary staff for the Post Office for, say, the Christmas rush, included in its application form this question: Have you ever been charged with a criminal offence?

On the basis of the document issued by the Department of the Secretary of State I wrote to the minister on June 17, complaining about the injustice of question 9(A). I pointed out that in a court of law it is not possible to ask a person whether he has been charged, only, with an offence and that it is a fundamental right in common law that the question cannot be asked. I also had difficulty with the interpretation of what is a minor traffic violation.

The Secretary of State replied by letter dated July 24, and indicated as follows:

In the case of question 9(A), bearing in mind that a citizenship court does not really operate as a court of law and that we must endeavour to be satisfied as regards an applicant's character, it does seem to me that technically and legally we are entitled to ask whether a person has been charged with an offence. On the other hand, having the legal right to do so does not necessarily make such a question a proper one. A person is innocent until proven guilty and on that basis I am inclined to agree with you that the wording of the question should be changed. I have therefore instructed my officials to change the word "charged" to "convicted" in question 9(A).

The exception for minor traffic violations is made because it is recognized that many motorists have been convicted of minor traffic violations and that this is an expression that is generally well understood whereas it would be much more difficult for an applicant to determine what is a charge of a serious nature, especially in view of the fact that an applicant would, with few exceptions, no doubt tend to regard any offences of which he has been convicted as not being of a serious nature. The purpose of the question is to elicit information and I can assure you that an offence such as a minor violation of a provincial liquor act—

This is what I cited in my letter—people caught carrying a hip-flask at a football game.

—would not, on that ground alone, result in a refusal of citizenship.

This was further confirmed in a letter dated August 18 signed by the executive assistant to the minister. This informed me as follows:

Instructions have now been issued to all federal citizenship courts to amend with immediate effect the wording of 9(A) to "Have you ever been convicted of etc." vice the present "Have you ever been charged with etc.".

The letter further indicated that the form would be completely amended at the next reprint. With regard to the Post Office, Mr. Speaker, I have a letter dated November 24, signed by the Minister of Communications (Mr. Kierans) and stating:

• (4:10 p.m.)

I thoroughly agree with the contention in your letter of the 13th November regarding the wording of a question appearing on a form for employment.

As a result I have given instructions that immediate action be taken to change this wording from "Have you ever been charged with a criminal offence?" to "Have you ever been convicted of a criminal offence?"

May I assure you that the wrong wording was used not with any intent to abrogate the civil rights of individuals but through inadvertance.

I wish to thank you for bringing this matter to my attention.

I appreciate the prompt action taken by both ministers in dealing with this point. I am particularly concerned about this matter because I recall that back in 1959, I believe, I raised a similar point with the Civil Service Commission. At that time, if my memory serves me right, there was a similar question on the employment form. In that case immediate action was taken to remove the offensive question. I believe in 1960 or 1961 the Canadian Broadcasting Corporation did the same thing. I checked with the CBC this week, and their forms are absolutely unobjectionable. I add that on forms of application for employment in the Public Service Commission of Canada no such questions are asked; in fact, the Public Service Commission does not even ask for any information about convictions.

It is my hope that Bill C-5, which is presently under consideration before the Standing Committee on Justice and Legal Affairs, will have the effect of enabling a person who has been convicted of an offence other than, shall we say, a very minor traffic offence and who makes application to the Solicitor General and obtains a pardon under the provisions laid down under the act to say "No" when answering the question: Have you ever been convicted of an offence?. In other words, the conviction record shall not continue, and the fact of the prior conviction, followed by good conduct as required by law, shall not operate forever to bar a person from employment and shall not raise embarrassing questions on, say, an application for citizenship or some other certificate to which a person of good conduct would be entitled.

I have raised this question in connection with employment application forms and certificates of citizenship, but there is also the question of the committal to mental hospitals to be considered. I hope we can see our way clearly to eliminate that question as well. As I pointed out to the Secretary of State (Mr. Pelletier), there are many people today who commit themselves. They are not committed by a court; they commit themselves to a mental hospital as voluntary patients for varying periods of time until they recover from alcoholism, from minor nervous breakdowns or other ailments. There is nothing wrong with that. They are not persons of poor character as a result thereof, and I cannot see why a person who has been in a mental hospital as a voluntary patient, considering the state of the treatment of mental patients today—and I hope ultimately that

this provision will apply to those committed by a court—should have to answer such a question. I hope that we will become enlightened enough to so consider a person whose conduct has been good. If that person has been convicted of a serious offence in the past and if a pardon has not been obtained, the matter may be germane and the question could be asked.

I do not think I have to belabour the point, Mr. Speaker. I do not think I can find any explicit wording in the Bill of Rights which would protect the individual from such questions, but I think it is within the spirit of the Bill of Rights that one cannot ask a person, under circumstances such as I have outlined, to criminate himself, because there is always a stigma attached. It is involuntary, perhaps, on the part of the person who obtains the information, but there is a sort of inner prejudice which is immediately aroused when a person on an application for employment answers in the affirmative that he has been charged with an offence. The charge may have been withdrawn or the person may have been found not guilty.

I should like to point out a particular case that I have in hand concerning a British subject who, although now in business in Canada, was charged many years ago along with 50 other defendants of an offence under the Securities Exchange Commission Act in the state of New York. The charge was not proceeded with against a number of the persons, and this person never returned to the jurisdiction: he was in Canada. Others pleaded guilty to the offence. I have ascertained that the case is closed, and yet no evidence has been proffered with regard to this British subject here in Canada. He would, according to the particular form being objected to, have had to indicate that he had been charged in the state of New York, where he had no connection whatsoever, with an offence under the law of a foreign state.

Also, we have many people here in Canada who could be charged under some law of a foreign state—they could be charged in absentia—and would have to answer such question on the questionnaire in the affirmative. As we know, many questionnaires also carry the provision that if any material information is suppressed, the person who may have gained the employment will, if it is discovered that he has falsified or suppressed information which was required by the application form, lose his employment. Therefore the basis of my submission, Mr. Speaker, is that this House accept the motion or, in the alternative, if it is not prepared to do so, to refer this whole question to the Standing Committee on Justice and Legal Affairs for examination, with the matter to be reported back to the House.

I know there are areas in which there may be some argument. I feel that in order to protect the civil rights of all our citizens so far as the federal government is concerned—this motion is very carefully limited to the federal jurisdiction—there must be a requirement that persons not convicted, and so on, shall not have their civil rights infringed upon in any way as a result of being asked for information of the kind I have outlined in my argument before the House. I therefore urge, Mr. Speaker, that the House give favourable consideration to my motion.

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would the hon. member permit a question?

Mr. Lambert (Edmonton West): Yes.

Mr. Forest: In his remarks, the hon. member did not indicate to what extent the federal government could, within its jurisdiction, prevent people who hold positions in the private sector from asking oral or written questions to persons applying for a job or something else in order to find out if they have criminal records.

• (4:20 p.m.)

[*English*]

Mr. Lambert (Edmonton West): Mr. Speaker, in answering the Parliamentary Secretary's question may I say this: I would think there are a number of firms and organizations in the private sector which come under federal jurisdiction and are brought under it by the Canada Labour Code. All those businesses and undertakings which fall in any way under federal jurisdiction, such as airlines, broadcasting companies, grain companies, trucking companies and others could fall within a provision of the Canada Fair Employment Practices Act: the type of prohibition that I have outlined in my motion could be included.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I congratulate the member for Edmonton West (Mr. Lambert) for having brought forward this resolution. I think it is a very interesting one which is not current in the minds of many members of this House.

The resolution as phrased is somewhat complicated in its wording. I appreciate that the complication is necessary to encompass various cases that the hon. member mentioned in his very splendid speech. It seems to provide that the federal government shall prohibit anyone from asking on a job application form whether a person has been charged with or arrested for a criminal offence. That seems to be the substance of the resolution before us.

I appreciate the hon. member's remarks with respect to mental institutions and the fact that this situation occurs in respect of citizenship applications and others which otherwise seem to have been corrected. It is interesting to note that it would also be applicable to a man standing before a magistrate in a court of law and applying for bail when he is accused of an offence. It would seem to prohibit the magistrate asking the person whether he had been charged with an offence in any other court. In that sense I think the resolution goes a little too far. I appreciate that legislation flowing from such a resolution would probably correct that error, but at the same time we have to consider these matters as they stand before the House.

For those of us who have been concerned with criminal jurisprudence, the question "Have you been charged or arrested?" has not come before the Standing Committee on Justice and Legal Affairs. I am not dealing with the incidental aspects. The main problem is whether an employer should be allowed to ask a prospective employee whether he has been convicted of an offence. I appreciate there is a marked difference between that which is in the hon. member's motion and the question as to whether he has been convicted of an offence.

It seems that the question as to whether he has been charged with an offence is relatively superfluous. I doubt very much whether it would be taken into really stringent consideration in many job applications. I agree that this particular phrase should not be there because charges under the Highway Traffic Act for speeding, failing to give the right-of-way, driving without due care and attention, charges under the game acts and charges under federal government regulations and statutes are somewhat trivial in so far as employment is concerned. Heaven knows that this and other Parliaments over the years, and other legislative assemblies, have laid down enough offences. It is very difficult for one to go through life without committing at least one offence under the Highway Traffic Act. I do not suggest this applies to the Criminal Code.

Dealing with the question of whether to ask about serious offences, why would the question "Have you been charged with an offence under the Criminal Code?" appear on an application form? It would hardly indicate, if a man had been charged with theft at one time in his life, that he was a thief—because time after time indictments are stayed. Even if he had been charged at one time with impaired driving, it might well have been dismissed or otherwise disposed of. The mere asking of that question would hardly be cogent on a job application, an application for a licence or anything else.

To that extent I am inclined to agree with the resolution put forward by the hon. member. I am most concerned about the extent of its practical application against private individuals. I have grave doubts whether the Parliament of Canada could prohibit a private individual asking such a question. I suggest, with respect, that would be a matter entirely within the provincial domain and I do not think it could be legislated by the federal government.

I think there are occasions when a person might be asked if he had ever been charged. For example, as the English law now stands, the fact that a man has been charged can often indicate that he committed the offence. There is a provision that he need not necessarily be found guilty, even though under the law applicable in Canada he would be found guilty. It is called a conditional discharge.

In all the circumstances I feel this is perhaps a proper question. I am inclined to agree in general with the resolution. I think in working out the legislation it is quite possible that the areas in which the question may be asked could easily be defined. The major problem is that we have before us from time to time in this Parliament—it is before us currently—the question of whether a person has been convicted. On job application forms, citizenship applications and the other applications which my friend has suggested, the question is asked in order to learn the character of the man. Whether he has been charged really has little to do with the character of the man. Whether he has been convicted has something to do with that aspect of the situation.

The resolution avoids the practical question before the Canadian people today, that is, can he be asked whether he has been convicted? I

do not think the hon. member would really object to such a question being included in a questionnaire. I wish to assure the hon. member that there are a great many people in Canada who believe that no one should even be asked if they have been convicted of an indictable offence when completing a job application or any other type of application.

Evidence was recently presented to the Justice Committee when it was considering Bill C-5 which was designed to expand the provisions of the Criminal Code in dealing with pardons. The committee has been giving consideration to the problems which emanate from the resolution before us. The problem posed by penologists, the Solicitor General (Mr. McIlraith) and many others who are gravely concerned is simply this. Many men and women during their lives commit offences. Whether we call them criminal offences or otherwise, they are offences. Some of them are very serious, some are not so serious. Some are called indictable offences, some are called summary offences. Some are provincial offences, and some are federal. As I mentioned previously, there is a great deal which we can break.

• (4:30 p.m.)

This week the Justice Committee was informed that in Canada last year over 100,000 criminal records were opened. This does not mean that 100,000 people were convicted, but 100,000 people were the subject of criminal legislation. The commission of an offence has for years been a cross on the back of the offender. When these people have been dealt with by the courts and suffered the penalties imposed on them, there is always a feeling that they have, as the saying goes, paid their debt to society.

The real problem is that even though they have paid this debt, served their time, paid their fine, or whatever the penalty might have been, they never get a receipt for the payment, as do those who have paid their debts in civil life. I point out to hon. members that I am considering the more serious offences. The mark of a criminal offence is always there. Sometimes it is almost forgotten—the man moves from the community in which he committed the offence to another, and it never catches up with him. Sometimes it fades, depending on the seriousness of the offence and the reputation the man bears in the community. Sometimes, indeed, the mark is borne literally on his back all his life, since this country still tolerates corporal punishment, one of the most vicious forms of punishment ever used in a supposedly civilized society.

The professed object of contemporary penology—it is not the only object—is to rehabilitate the offender, to convince him, not that he is a man who must pay in conscience for what he has done for the rest of his life but that what he has done is not acceptable to the community in which he lives. Some persons take a great deal of convincing, as the committee learned in the course of its visits two weeks ago. In the case of some persons, it appears it can never be done. Yet, I was greatly heartened by the observation of Mr. Alan MacLeod, the Commissioner of Penitentiaries, that he will never accept the proposition that correction will never take place, leaving aside, of course, those who have the misfortune to suffer from mental illness.

Sometimes a small fine is sufficient, even in serious cases, bearing in mind the character of the man concerned and the nature of the situation in which the offence occurred. Sometimes even an appearance in court and the publication of the charge in a newspaper is punishment enough and sufficient deterrence. Sometimes probation in the sense of a suspended sentence is most successful, especially in dealing with young offenders. Unfortunately, it may be necessary to send the offender to prison. This may happen, unfortunately, more often than is really necessary from the viewpoint of rehabilitation.

But if ever the concept of punishment is completely removed and the whole emphasis is placed on rehabilitation and correction, certain consequences will follow. One is apt to forget that the whole system of criminal jurisprudence grew up not only to protect life and property but to place in the hands of the state the basic human and fundamental emotion of revenge which develops so often in the hearts of victims of crimes. What those who approach penology solely from the point of view of rehabilitation often forget is that the offender in some instances has committed a dastardly crime against some other person who is left to suffer for the rest of his life.

In one case with which I was familiar, a man waited until the murderer of his daughter was eventually released on parole from prison. There was a great deal of concern on the part of the authorities as to what this man would do. We must never forget that the aspect of penology is the removal from the community of the individual desire for revenge on the part of victims. Think of the

father of a child who has been molested, attacked, and perhaps brutally murdered: this desire for revenge exists, and one aspect of the criminal law is to remove it and place it in the hands of the state.

I sometimes think that if we were adequately to compensate victims of crimes, as I believe is done to some extent in New Zealand, this concept of revenge, which is foreign to the Judaeo-Christian ethic, could be removed from the criminal law and we might be able to concentrate entirely on the rehabilitation of the offender, except that some measure of deterrence would have to be retained in order to discourage others from committing offences. The rehabilitation program would include education, counselling and, what is most badly needed, proper psychiatric care.

Mr. Winch: Psychological, not psychiatric.

Mr. Hogarth: Psychology, I understand, is statistical, and psychiatry is therapeutic. So I will go with "psychiatric" for today. We have not reached this stage at present, though we hope it is coming. There is no doubt that many of those who are subjected to our present prison system become fully rehabilitated. The problem arises when they are released from prison to start out afresh. Some learn a trade. The first thing a man wants when he gets out of jail is a job. If he is a first offender, no real difficulty arises about placing him in employment. People understand. In all probability the man has a job lined up before he is placed on parole. But perhaps he is getting out after serving a second term of imprisonment for a second offence, and perhaps it is one of the more serious offences. When he applies for a job, the big question arises as to whether he should admit where he has been and what he has done, or should he take the risk of saying nothing, hoping for the best? Or he could answer the questionnaire falsely. Alternatively, he could apply only for those jobs for which there is no questionnaire.

• (4:40 p.m.)

Many of these men admit what they have done and put it on the questionnaire. Having been released from the British Columbia penitentiary, St. Vincent de Paul, or whichever one it is, they find that they cannot get the job in question, and they do not know why. If they apply for a job at a big concern, perhaps they just receive a rejection slip. The next time they apply for a job they lie about their past. What happens to them? They stay on the job for a week while inquiries are made, the boss finds out the truth and once again they are out of work. After one or more of these demoralizing experiences they give up; they surrender and drift back to their friends who got them into trouble in the first place.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the House agree?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Come back to the motion.

Mr. Hogarth: In any event, the man in question drifts back and finally ends up once again in the penitentiary for another offence that he has committed, having done his best to find employment. Although, of course, some prisoners released are weak in this respect, the sort of man I have described will eventually say to himself, "This is where I belong. This is all I have in life." Time and time again when he has served his sentence and been released, back he goes to the penitentiary. Sometimes these men become habitual criminals.

The question whether the employer should or should not be allowed to ask the question in the first place is a good one. Should an employer of a man be allowed to ask his prospective employee: Have you ever been convicted of a criminal offence? Or should he ask the more frivolous question: Have you ever been charged with an offence?

Mr. Lambert (Edmonton West): But they do ask it.

Mr. Hogarth: I appreciate that, but it is a good question and is one that is so current in our work on the Justice Committee that I thought I would bring it to the attention of the House today. The question, as I say, is a good one. The question whether or not we can legislate against such an inquiry is a better one. There are many employers in Canada; the government is not the only one. Most employers do not come within the jurisdiction of the federal government. But in any event, an employer is surely entitled to inquire into the character of a person charged with a criminal offence; I do not think there

is any doubt about that. He can inquire into his education, into his background.

I do not think he could even be said to be wrong in printing into his ethnic origin or inquiring who the man is. After all, he wants to know whom he is hiring and wants to take every factor into consideration. I do not say that all these factors should make a difference, but an employer is entitled to know who a prospective employee is, particularly if he is to become a responsible employee in a trusted position.

I was surprised to hear of some of the information that the hon. member has been given, because in regard to the question whether the federal government should or should not be allowed to ask this question it was our understanding in the committee that federal government policy is to eliminate this question from the form. It used to be on the form but it is now absent, so that a prospective employee need not indicate whether or not he has been convicted of an offence. Perhaps other employers should follow suit and regard this as a lead taken by the government.

I am concerned as to the application of such a policy. Could it fit all circumstances? For example, the hon. member has a law practice—

Mr. Lambert (Edmonton West): I had.

Mr. Hogarth: We look forward to having the hon. member here for many more years instead of going back to his practice. But suppose the hon. member wants to hire a young lawyer from the east and he does not know the young man in question, though he seems presentable. Should he not ask the young man, or those in the east who know the young man, whether he has ever been convicted of theft, perjury or fraud?

Although he would not ask that question specifically in those terms, he could ask it indirectly by asking whether he had ever been in trouble, whether he had ever been disbarred. If you cannot ask such questions of a lawyer you are thinking of hiring, it seems to me that at some time or other you will end up buying a pig in a poke, and I do not think that in the circumstances that is quite fair.

Consider the case of the trust company executive. Could he not ask similar questions about an accountant? Could he not ask such questions of somebody whom he is going to put in a position of trust? Similarly, could not an insurance company executive ask the same question? If not, how could he find out whether a prospective employee had or had not been refused a bond? Could not a bonding company ask such questions as: Have you ever been convicted of theft? Certainly they could: I suggest we must be realistic. I think we must all admit that this is a difficult problem. I thank the House for letting me speak at such length.

May I just add that I think what is required is a far more sophisticated method of dealing with people who have been convicted of offences, have served their time and are looking for jobs. I think that the John Howard Society, the Elizabeth Fry Society, church groups and "Big Brothers" should be given far more assistance to enable them to go to an employer with a prospective employee and help him get the job.

I would have taken longer, Mr. Speaker, but I understand that one of my hon. friends wishes to make a few remarks, and time is running out.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, it is fortunate that I intend to make only very few remarks because I do not want to find myself in the position of talking out this resolution. I very seldom take part in these debates between 4 and 5 p.m., and my reason for not doing so is that there is an air of futility about a discussion that ends by a measure being talked out.

I am very happy to have the opportunity to take part in this discussion because I think the hon. member's resolution is timely, sound, and deserves the fullest possible support. As has been said, the Justice and Legal Affairs Committee is dealing with a related matter, Bill C-5, which has to do with the expungement or pardon of criminal records. I am reminded that the Ouimet Commission has recommended that in the case of conviction of a summary offence the record be automatically wiped out at the end of a two-year period, and I think this recommendation is an excellent one.

This illustrates, as does the resolution that we are discussing, the fact that the House and the community generally are and ought to be concerned about the growing invasion of privacy, the multiplication of impertinent questionnaires and records, all of which oppress individuals in the world today. I think that we in this Parliament have a duty to try to do something to correct the situation.

In this respect I think the hon. member has put his finger on one item which is of great

importance, namely, the asking of questions, not about a person's actual record—which may or may not be justified in some circumstances—but about his being charged with an offence, a question which I suggest in no circumstances is justified.

Why is it not justified? We are discussing a subject that has very wide scope. The hon. member for Edmonton West (Mr. Lambert) gave illustrations of the situation in the public service and I was glad to hear that many people in the public service, when the matter is called to their attention, are ready to withdraw these offensive questionnaires. But in this respect the public service is aping what is the general practice in private business on a large scale, where I believe questions like this are a matter of course.

• (4:50 p.m.)

It not only applies to the matter of employment, the would-be employee who is coerced into having to answer questions that are embarrassing and harmful to him; it might apply to people applying for insurance or for licences of various sorts. There is a whole series of situations in which a person is bound to answer a similar questionnaire. I say they are embarrassing and are very serious because it is not just correct to say it is not harmful to admit that you have been charged with an offence.

I regret to say this, but I think it is only natural and only human that even though a person may have been convicted and the offence may not have been proved according to criminal law, the mere fact of being charged is derogatory. I find it difficult to conceive of an employer who finding that a prospective employee had been twice charged with a serious offence would say, "Well, they may not have been able to convict him. They will not take a chance on a person who has been charged. Why would they ask these questions unless the mentality is such that they would accept a charge as tantamount, at least, to strong suspicion of actual guilt even though there may be no conviction whatever?

I say this is a serious matter and inflicts damage on people without any excuse whatever. We are trying to protect people who have been convicted. We are trying to protect people who have been convicted of minor offences from having to answer questions, and by expunging the record. We are dealing, in the case of this legislation, with people who have merely been charged, and convicted of nothing at all. I hope the whole matter will, as the hon. member who introduced it suggested, be referred to the Justice and Legal Affairs Committee. I think it is properly part and parcel of the subject they are investigating at the present time—the protection of the privacy and rights of the individual against public records, public snooping, wire-tapping and things of that sort.

I notice the resolution is carefully worded to deal with the government only taking measures within its competence. I suggest in this Parliament, in regard to criminal law we have a very wide power to deal with things that are offensive to our sense of propriety. It may be that the scope of legislation that can be introduced will be considerable. I said I did not want to talk this bill out. That is a process which I despise and I want to have no part of it. I think this is a very constructive resolution. I hope it will be sent to the committee, where it belongs, and not just talked out in the House.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, I realize that the member who spoke before me would like the motion now before us to be referred to the Standing Committee on Justice and Legal Affairs and, therefore, the debate to be adjourned immediately.

I know my colleague well enough to believe that he will certainly let other members voice their views on this matter. After discussing an issue for 45 minutes, it would be too easy to say that it must automatically be referred to the Committee on Justice and Legal Affairs.

Having heard the comments of the hon. member for Edmonton West (Mr. Lambert), I think that he has pretty well clarified the terms of his motion. On the other hand, aware of his legal competence, I told myself right away that he seemed to be pushing things a bit too far.

I entirely agree with the main objective of the motion to prevent any investigation regarding any charge, complaint or denunciation against an applicant for a job in the public service or in the private sector.

As recently as yesterday, I attended meetings of the Committee on Labour, Manpower and Immigration which deals precisely with the matter of employment in the public service. I put questions to the officials of the department who are concerned with manpower regarding the investigations and questionaires in the case of the people mentioned earlier. I was assured that there were no

questions about the criminal record of those who apply for a position in the public service or in the private sector.

Mr. Speaker, I wish the views of the hon. member for Edmonton West were shared by all the members of his party, as not later than last week, many of them were asking the government if an inquiry had been made before granting an individual a job in the public service. I wonder whether the general principle of the motion of the hon. member for Edmonton West should not apply in that case, or in other similar cases, so that his motion would be in keeping with what he thinks and says.

I see the hon. member is raising his eyes to heaven. However, he knows very well what I am alluding to when I speak of an insistent request made to the government to see if such and such an individual has been given a national security clearance. I do not pretend that the hon. member for Edmonton West has done it. He knows very well—

The Acting Speaker (Mr. Béchard): Order. The hour appointed for the consideration of private members' business has expired.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

APPENDIX

SUMMARY OF CANADIAN NOTE HANDED TO THE UNITED STATES GOVERNMENT ON APRIL 16, 1970

The Canadian Government is unable to accept the views of the USA Government concerning the Arctic waters pollution prevention bill and the amendments to the Territorial Sea and Fishing Zones Act, and regrets that the USA is not prepared to accept or acquiesce in them. The Canadian Government cannot accept in particular the view that international law provides no basis for the proposed measures. For many years, large numbers of states have asserted various forms of limited jurisdiction beyond their territorial sea over marine areas adjacent to their coasts. The position of the USA Government is that the waters beyond a three-mile limit are high seas and that no state has a right to exercise exclusive pollution or resources jurisdiction on the high seas beyond a three-mile territorial sea. The Canadian Government does not accept this view which indeed the USA itself does not adhere to in practice. For example, as early as 1790, at a time when the international norm for the breadth of the territorial sea was without question three miles, the USA claimed jurisdiction up to twelve miles for customs purposes and enacted appropriate enforcement legislation, which is still in force. Since 1935 the USA has claimed the authority to extend customs enforcement activities as far out to sea as 62 miles, in clear contradiction of applicable international law. In 1966, the USA established exclusive fisheries jurisdiction beyond its three-mile territorial sea extending out to twelve miles from shore, and the USA has just passed analogous legislation asserting exclusive pollution control jurisdiction beyond its three-mile territorial sea and up to twelve miles. Canada reserves to itself the same rights as the USA has asserted to determine for itself how best to protect its vital interests, including in particular its national security. It is the further view of the Canadian Government that a danger to the environment of a state constitutes a threat to its security. Thus the proposed Canadian Arctic waters pollution prevention legislation constitutes a lawful extension of a limited form of jurisdiction to meet particular dangers, and is of a different order from unilateral interferences with the freedom of the high seas such as, for example, the atomic tests carried out by USA and other states which, however necessary they may be, have appropriated to their own use vast areas of the high seas and constituted grave perils to those who would wish to utilize such areas during the period of the test blast. The most recent example of such a test by the USA and its consequences for the freedom of the high seas, as was pointed out by some Governments at that time, occurred in October 1969 when the USA warned away shipping within a 50-mile radius of the test it was conducting at Amchitka Island. The proposed anti-pollution legislation, proposed fisheries protection legislation and the proposed 12-mile territorial sea constitute a threat to no state and a peril to no one.

It is a well-established principle of international law that customary international law is developed by state practice. Recent and important instances of such state practice on the law of the sea are, for example, the Truman proclamation of 1945 proclaiming USA jurisdiction over the continental shelf and the unilateral establishment in 1966 by USA of exclusive fishing zones. Overwhelming evidence that international law can be and is developed by state practice lies in the fact that in 1958, at the time of the first of recent failures of the international community to reach agreement on the breadth of the territorial sea, some 14 states claimed a 12-mile territorial sea, whereas by 1970 some 45 states have established a 12-mile territorial sea and 57 states have established a territorial sea of 12 miles or more. Indeed, the three-mile territorial sea, now claimed by only 24 countries, was itself established by state practice.

The USA Government is aware of the major efforts made by Canada at the 1958 and 1960 Geneva Law of the Sea Conferences to bring about an agreed rule of law on the breadth of the territorial sea and on the breadth of contiguous zones for the exercise of various other types of limited jurisdiction. Subsequent to the failure of the 1958 and 1960 Conferences Canada joined with other countries in a further extensive and vigorous multilateral campaign to bring about agreement on these questions, but these efforts

failed because the USA ultimately declined to participate in them. In 1964, when Canada passed legislation establishing a nine-mile contiguous fishing zone, the USA objected to it, only to follow suit two years later, thereby confirming its acquiescence in both the substance and the manner of Canada's action. In discussions between Canada and the USA from time to time over the last ten years, Canada has made clear its serious concern over the unresolved questions of the breadth of the territorial sea and the rights of coastal states to assert limited forms of jurisdiction beyond the territorial sea for the purpose of protecting their vital interests. With respect to the Arctic Waters Pollution Prevention Bill, the Canadian delegation at the November 1969 Brussels IMCO Conference made strenuous efforts to bring about international agreement on effective pollution prevention measures, but the results of that Conference fell short of effective protection for coastal states and the world's marine environment.

It is well known that Canada takes second place to no nation in pressing for multilateral solutions to problems of international law, and that Canada has repeatedly and consistently shown its good faith by its continuous efforts to produce agreed rules of law. The Canadian Government is, however, determined to fulfil its fundamental responsibilities to the Canadian people and to the international community for the protection of Canada's offshore marine environment and its living resources, and the proposed legislation is directed to these ends.

The Canadian Government has long been concerned about the inadequacies of international law in failing to give the necessary protection to the marine environment and to ensure the conservation of fisheries resources. The proposed anti-pollution legislation is based on the overriding right of self-defence of coastal states to protect themselves against grave threats to their environment. Traditional principles of international law concerning pollution of the sea are based in the main on ensuring freedom of navigation to shipping states, which are now engaged in the large scale carriage of oil and other potential pollutants. Such traditional concepts are of little or no relevance anywhere in the world if they can be cited as precluding action by a coastal state to protect this environment. Such concepts are particularly irrelevant, however, to an area having the unique characteristics of the Arctic, where there is an intimate relationship between the sea, the ice and the land, and where the permanent defilement of the environment could occur and result in the destruction of whole species. It is idle, moreover, to talk of freedom of the high seas with respect to an area, large parts of which are covered with ice throughout the year, other parts of which are covered with ice most of each year, and where the local inhabitants use the frozen sea as an extension of the land to travel over it by dogsled and snowmobile far more than they can use it as water. While the Canadian Government is determined to open up the Northwest Passage to safe navigation, it cannot accept the suggestion that the Northwest Passage constitutes high seas.

In these circumstances the Canadian Government is not prepared to await the gradual development of international law, either by other states through their practice nor through the possible development of rules of law through multilateral treaties. The Canadian Government has repeatedly made clear that it is fully prepared to participate actively in multilateral action aimed at producing agreed safety and anti-pollution standards and protection of the living resources of the sea but is not prepared to abdicate in the meantime its own primary responsibilities concerning these questions.

With respect to the bill which would authorize the establishment of a 12-mile territorial sea off Canada's coasts, the large number of coastal states now claiming a territorial sea of 12 miles or more, and the recent efforts of the USA directed towards a rule of law on the territorial sea, rights of passage and fisheries jurisdiction, provide the best evidence of the validity of the Canadian position on this question. The Canadian Goverment is aware of USA interest in ensuring freedom of transit through international straits, but rejects any suggestion that the Northwest Passage is such an international strait. The widespread interest in opening up the Northwest Passage to commercial shipping and the well-known commitment of the Canadian Government to this end are themselves ample proof that it has not heretofore been possible to utilize the Northwest Passage as a route for shipping. The Northwest Passage has not attained the status of an international strait by customary usage nor has it been defined as such by conventional international law. The Canadian Government reiterates its determination to open up the Northwest Passage to safe navigation for the

shipping of all nations subject, however, to necessary conditions required to protect the delicate ecological balance of the Canadian Arctic.

Canada's new reservation to its acceptance of the compulsory jurisdiction of the International Court does not in any way reflect lack of confidence in the Court but takes into account the limitations within which the Court must operate and the deficiencies of the law which it must interpret and apply. Canada's readiness to submit to the international judicial process remains general in scope and is subject only to certain limited and clearly defined exceptions rather than to a general exception which can be defined at will so as to include any particular matter.

It is the earnest hope of the Canadian Government that it will be possible to achieve internationally accepted rules for Arctic navigation within the framework of Canada's proposed legislation. It is recognized that the interests of other states are inevitably affected in any exercise of jurisdiction over areas of the sea. These interests have been taken into account in drafting this legislation; Canada has, for instance, provided that naval vessels and other ships owned by foreign governments may be exempted from the application of Canadian anti-pollution regulations if the ships in question substantially meet Canadian standards. Canada will give the interests of other states, including the USA, further consideration in entering into consultations with them before promulgating safety regulations under the Arctic waters bill.

The Canadian Government is pleased to note that the USA confirms that it is acutely aware of the peculiar ecological nature of the Arctic region and the potential dangers of oil pollution in that area. The Canadian Government agrees that the Arctic is a "region important to all nations in its unique environment, its increasing significance as a world trade route and as a source of natural resources". The Canadian Government does not, however, agree that the Arctic as a whole should be subjected to an international regime protecting its assets both living and non-living, if that is what is proposed by the USA. Canada's sovereignty over the islands of the Arctic Archipelago is not of course, in issue, nor are Canada's sovereign rights over its northern continental shelf and the Canadian Government assumes that the USA Government is not suggesting an international regime to cover these environments (nor the land near and adjacent submarine resources of Alaska).

With respect to the waters of the Arctic Archipelago, the position of Canada has always been that these waters are regarded as Canadian. While Canada would be pleased to discuss with other states international standards of navigation safety and environmental protection to be applicable to the waters of the Arctic, the Canadian Government cannot accept any suggestion that Canadian waters should be internationalized. The Canadian Government notes that the USA intends shortly to ask other interested states to join in an international conference designed to establish internationally agreed rules protecting the living and non-living assets of the Arctic beyond national jurisdiction, and notes that the USA Government would be pleased to join the Canadian Government in such a conference. Before the Canadian Government can express a definitive view on this question, further information will be required as to the scope, nature and territorial application of the rules the USA proposes, since the Canadian Government obviously cannot participate in any international conference called for the purpose of discussing questions falling wholly within Canadian domestic jurisdiction. With regard to matters properly of an international character, the Prime Minister took the lead in his statement to Canadian Parliament on October 24 last, in inviting the international community to join Canada in promoting a new concept, an international legal regime to ensure to human beings the right to live in a wholesome natural environment.

With respect to the proposed legislation permitting the establishment of exclusive fishing zones, it is the considered view of the Canadian Government that neither existing customary international law nor contemporary conventional international law are adequate to prevent the continuing and increasingly rapid depletion of the living resources of the sea. The Canadian Government is aware of the proposals of the USA and other states concerning possible solutions to this problem through a multilateral approach, and intends to participate actively and constructively in any conferences to be held to consider such questions. The Government in the meantime proposes to take all measures necessary for the protection and conservation of the living resources of the sea adjacent to Canada's coast. It is Canada's expectation that

other states will take similar action since it is becoming increasingly apparent that there is no other effective way of preventing the rapid depletion of the living resources of the marine environment.

The Canadian Government is pledged to the development of the use of Canada's Arctic waters for the encouragement and expansion of Canada's northern economy and has adopted a functional and constructive approach to these questions which does not interfere with and indeed can facilitate the legitimate activities of others. The two bills reflect the determination of the Canadian Government to fulfil its responsibilities to its own people and to the international community to preserve the ecological balance of Canada and to protect and conserve the living resources of its marine environment.

The Canadian Government reaffirms its faith in the spirit of cooperation which Canada and the USA have shown throughout so much of the history of their relations and is confident that it will be possible to resolve their differences amicably and with mutual understanding.

HOUSE OF COMMONS

Monday, April 20, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

AIR SAFETY BILL

MEASURE RESPECTING LOCATION OF CRASHED AIRCRAFT, ASSISTANCE TO OCCUPANTS

Mr. Speaker: The hon. member for Okanagan Boundary. Is the hon. member for Burnaby-Richmond rising for the purpose of moving this bill on behalf of the hon. member for Okanagan Boundary?

Mr. Goode: That is correct, Mr. Speaker.

Mr. Speaker: The hon. member can do this only with the unanimous consent of the House. It is the practice that a private bill cannot be moved by another member in the absence of the mover of the bill unless there is unanimous agreement. The assumption is that the hon. member is doing this with the consent of the hon. member in whose name the bill stands on the Order Paper. Is this agreed?

Some hon. Members: Agreed.

Mr. Goode (for Mr. Howard, Okanagan Boundary) moved for leave to introduce Bill No. C-206, respecting air safety.

Some hon. Members: Explain.

Mr. Goode: Mr. Speaker, it is indeed a pleasure to explain the purpose of this bill for my colleague from Okanagan Boundary who this week is immersed at St. Johns, Quebec.

The purpose of this bill is to improve the method of search for and rescue of disabled aircraft. At present it costs the federal government over $7 million each year for search and rescue operations. The bill is intended both to reduce costs and save lives.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

STUDY OF GOVERNMENT INFORMATION SYSTEM

Question No. 771—**Mr. Orlikow:**

1. Did the Department of Regional Economic Expansion give a contract to study or up-date its Government Information System to Systems Dimensions Ltd.?

2. Was there a competitive tender for this study and, if so, who were the other competitors and what were their respective bids?

3. What were reasons for this decision in view of the freeze on most departments which have proposed to hire new staff or to fill vacancies?

4. How much will Systems Dimensions Ltd. be paid in fulfilment of this contract and what are the qualifications of the company which received this contract?

5. What other contracts with private research companies has the department let in the past three months?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. No.

2, 3 and 4. Not applicable.

5. None.

INNISFAIL, ALBERTA—TENDERS FOR RCMP DOG TRAINING CENTRE

Question No. 1,044—**Mr. Thompson:**

1. How many firms tendered on the construction on the RCMP Dog Training Centre at Innisfail, Alberta?

2. What are the amounts of the tenders and the names of the contractors?

3. What sub-contractors were not paid by the general contractor and what are the amounts?

4. Did the successful contracting firm meet the obligations of the contract satisfactorily?

Hon. Arthur Laing (Minister of Public Works): 1. Two.

2.

Contractor	Amount of Tender
Dynacon Construction, Calgary	$11,695
Buruma Construction Ltd., Red Deer	11,740

3.

Sub-Contractor	Amount
Revelstoke Building Materials	$632.13
Llewellyn Electric	221.62
Otto Roofing	345.00
Prairie Engineering	178.83

Questions

4. Dynacon Construction met their construction obligations under the terms of the contract satisfactorily, but have not yet met all their financial obligations. The Department is withholding payments to Dynacon Construction and making payments direct to creditors.

LAW WITH RESPECT TO "OBSCENITY"

Question No. 1,126—**Mr. Robinson:**

Is it the federal government's intention to change the law with respect to "obscenity" and, if so, to what extent?

Hon. John N. Turner (Minister of Justice): The Government of Canada has no immediate intention of introducing legislation with respect to obscenity, but this is one of the matters that might be given to the Law Reform Commission for consideration in the event that the Bill now before the House providing for that Commission is passed.

SUPREME COURT OF CANADA—NUMBER OF CASES HEARD

Question No. 1,151—**Mr. Beaudoin:**

1. How many cases were heard by the Judges of the Supreme Court of Canada in 1966, 1967, 1968 and 1969?

2. How are these cases classified by subject and how many were settled in 1966, 1967, 1968 and 1969?

Hon. John N. Turner (Minister of Justice):

1.

	1966	1967	1968	1969
Appeals	106	151	130	143
Motions for leave, etc.	99	130	139	129
Total	205	281	269	272

2. Cases are not classified by subject and the Registrar is not always informed of settlements by the parties. Section 8 of Bill C-182 is amending section 74 of the Supreme Court Act to provide that a notice of discontinuance shall be filed with the Registrar.

CANADIAN GRAIN SALES

Question No. 1,396—**Mr. Skoberg:**

1. How many brokerage firms are now handling Canadian grain sales?

2. Where are these firms located?

3. In the event of one brokerage firm handling a grain sale, do any or all of the other firms receive any remuneration as well?

4. How much per bushel do the brokerage firms receive for handling Canadian grain sales?

5. How are the charges determined?

6. At any time, did ships refuse to enter the Vancouver port for grain until they received an additional payment per bushel and, if so (a) how much per bushel did they receive (b) was this cost passed on to the producer?

Hon. Otto E. Lang (Minister without Portfolio): It is assumed that the question refers to shipping and exporting firms acting as agents for the Canadian Wheat Board. On this assumption, the answers are as follows: 1 and 2. See list attached.

3, 4 and 5. The Canadian Wheat Board does not pay a remuneration to these firms for negotiating Canadian grain sales. Competition establishes the margin which can be added to the Board's price.

6. The Canadian Wheat Board is not involved in the negotiations between its agents and the vessel owners. If such additional cost were incurred it was not claimed against the Canadian Wheat Board nor passed to the producer.

The Canadian Wheat Board Shippers and Exporters

Eastern Agents:

Company	Winnipeg Address	Cable Address
Agro Company of Canada Ltd.	276 Grain Exchange Bldg.	"Agrocan"
Anglo Canadian Grain Company Ltd.	218-A Grain Exchange Bldg.	"Ancan"
Bunge Corporation Limited	211-A Grain Exchange Bldg.	"Bungepeg"
Cargill Grain Company, Limited	209 Grain Exchange Bldg.	"Rosscargill"
Cargill Manitoba Company, Limited	209 Grain Exchange Bldg.	"Rosscargill"
Continental Grain Co. (Canada) Ltd.	975 Grain Exchange Bldg.	"Fribrene"
Federal Grain Limited	24th Flr. Richardson Bldg.	"Snyfed"
The Grain Growers Export Co. Limited	309 Grain Exchange Bldg.	"Grainport"
Louis Dreyfus Canada Limited	436 Grain Exchange Bldg.	"Sesostris"

[Mr. Laing.]

Company	Winnipeg Address	Cable Address
Maple Leaf Mills Limited, (Maple Leaf Milling Division)	240 Grain Exchange Bldg.	"Mapleflour"
Maple Leaf Mills Limited, (Toronto Elevator Division)	240 Grain Exchange Bldg.	"Torelev"
Mardorf, Peach & Co. (Canada) Ltd.	312 Grain Exchange Bldg.	
McCabe Grain Company Limited	409 Grain Exchange Bldg	"McCabros"
Norris Grain Company Limited	709 Grain Exchange Bldg.	"Norrispeg"
Northern Sales (1963) Limited	135 Lombard Avenue	"Norsalag"
Ogilvie Flour Mills Company Limited	55 Higgins Avenue	"Ogilvie"
Parrish & Heimbecker Limited	661 Grain Exchange Bldg.	"Parrheim"
K. A. Powell Canada (1966) Ltd.	563 Grain Exchange Bldg.	"Powcan"
Range Grain Company Ltd.	982 Grain Exchange Bldg.	"Range"
Ranks Hovis McDougall (Canada) Ltd.	563 Grain Exchange Bldg.	
James Richardson & Sons, Limited	26th Flr. Richardson Bldg.	"Jamesrich"
Robin Hood Flour Mills Limited	1065 Grain Exchange Bldg.	"Robinhood"
Saskatchewan Wheat Pool	7th Flr.—220 Portage Ave.	"Saskpool"
Saurel Grain Company Limited	118-A Grain Exchange Bldg.	
Scottish Co-operative Wholesale Society Limited	312 Grain Exchange Bldg.	"Wholesale"
Smith, Vincent & Co., Limited	919 Grain Exchange Bldg.	"Smithvin"

Western Agents:

Company	Vancouver Address	Cable Address
Agro Company of Canada Ltd.	524 Marine Building	"Agropac"
Bunge Corporation Limited	1624 Marine Building	"Bunge"
Cargill Grain Company, Limited	210 Marine Building	"Rosscargill"
Cargill Manitoba Company, Limited	210 Marine Building	"Rosscargill"
Continental Grain Co. (Canada) Ltd.	401-900 W Hastings St.	"Fribrene"
Co-Operative Wholesale Society Ltd.	1426 Marine Building	"Holsalsocy"
East Asiatic Co. (Canada) Ltd.	1201 West Pender St.	"Asiatico"
Federal Grain Limited	531 Marine Building	
Louis Dreyfus Canada Ltd.	1631 Marine Building	"Sesostris"
McCabe Grain Co. Ltd.	1725 Marine Building	"McCabros"
Northern Sales (1963) Limited	1726 Marine Building	"Norsaran"
Pacific Elevators Limited	531 Marine Building	"Pacele"
Pacific Grain Corporation Ltd.	430 Marine Building	"Hallco"
Powell-Lester Grain & Shipping Limited	508 Marine Building	"Powpac"
James Richardson & Sons, Limited	955 W. Hastings St.	"Heatrich"
Ranks Hovis McDougall (Canada) Ltd.	508 Marine Building	
Saskatchewan Wheat Pool	1222 Marine Building	"Saskpool"

MANICOUAGAN—CONSTRUCTION OF ACCESS ROADS

Question No. 1,454—**Mr. Blouin:**

With reference to the federal-provincial plan for the construction of access roads to natural resources (a) what works were undertaken in the constituency of Manicouagan (b) what was the length, in miles, of the roads constructed (c) where were they constructed (d) what was the cost (e) how much was contributed by the federal government (f) are any new agreements with the provinces contemplated?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources has no record of road construction under a federal-provincial cost-sharing agreement in the federal constituency of Manicouagan.

POSITION HELD BY JEAN OCTEAU—EXPO '70

Question No. 1,507—**Mr. Coates:**

1. What position does Jean Octeau hold with the Canadian Government insofar as its participation in Expo '70 in Osaka, Japan, is concerned?

2. What accommodations have been provided to Mr. Octeau at government expense during the period of his stay at Osaka and how long will he be involved with Expo '70 in Japan?

3. Are any additional accommodations provided to Mr. Octeau and, if so, for what reason?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1. Jean Octeau is Deputy Commissioner General of the Canadian Government Participation in Expo '70.

2. He has been provided apartment accommodation for living purposes with a total area of 540 square feet.

Mr. Octeau arrived in Osaka on March 12, 1970. His term appointment expires September 30, 1970.

3. No additional accommodation is provided Mr. Octeau.

LAST OAK PARK, SASKATCHEWAN

Question No. 1,571—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion carried out any work or authorized work in planning for the development of Last Oak Park, north of Broadview, Saskatchewan and, if so, by whom was this work carried out?

2. How much has been spent to date in each fiscal year in planning for this Park?

3. How much has been spent in each fiscal year in development of this Park and how much was spent on (a) roads (b) land clearing and development (c) other facilities?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1 and 2. Yes. Under the 1965-70 ARDA Agreement, two projects were authorized to assess the recreational development potential of Indian lands in the Crooked and Round Lakes area of Last Oak Park, at a total cost of approximately $124,000. The consulting firm of C. W. Pool and Associates Limited was retained by the Saskatchewan government to undertake the basic study work.

3. Not applicable.

REGIONAL ECONOMIC EXPANSION—AGREEMENTS IN RELATION TO "SPECIAL AREAS"

Question No. 1,580—**Mr. Simpson:**

1. How many provincial governments have signed or concluded agreements with the federal government in relation to "special areas", as outlined to the House of Commons by the Minister of Regional Economic Expansion on March 11, 1970?

2. If any provincial governments have signed such agreements, on what dates were each of the agreements signed?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Drafting of agreements with most of the Provinces concerned has been concluded, and formal signing is expected very shortly.

2. Not applicable.

CANADIAN CONSUMER COUNCIL—ESTABLISHMENT COST

Question No. 1,588—**Mr. Dinsdale:**

1. What was the total "set-up" cost to establish the Canadian Consumer Council?

2. What is the annual salary of the executive secretary and the total annual salaries of staff assistants?

3. What was the total cost of expenses, etc., for Council Members in the calendar year 1969?

4. What was the total cost of administration of the Council for the calendar year?

5. What has been the total cost of setting up and administering the Council since its inception?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. There was no identifiable cost involved in the "setting up" of the Canadian Consumer Council.

2. Executive Director, $23,000; Secretaries, $10,812.

3. $19,489.

4. $28,949.

5. To March 26, 1970, $71,024.

DEPARTMENT OF VETERANS AFFAIRS—PURCHASE OF DRUGS FOR VETERANS

Question No. 1,591—**Mr. Comeau:**

1. Is it the intention of the Department of Veterans Affairs to provide for the purchase of drugs for veterans through Veterans' Hospitals rather than through the local pharmacies and, if so, on what date will this policy come into effect?

2. Did the Department consider the possible increase in administrative responsibilities resulting from such action?

3 Has the Department studied the effect this decision will have on local pharmacies and, if so, what are the results?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): 1. No. The Department's practice of filling prescriptions from doctors of choice through local pharmacies will be continued.

2. Yes.

3. Yes. A decision to change would have had an adverse effect on the local pharmacies' volume of business and their ability to provide for the treatment needs of veterans in the community.

DEPARTMENT OF EXTERNAL AFFAIRS—CONSTRUCTION OF BUILDING

Question No. 1,592—**Mr. Brewin:**

Does the government contemplate (a) making any changes in the design or size of the building to be constructed by the External Affairs Department (b) does it propose to postpone (i) awarding the contract or (ii) the construction of the building until the White Paper(s) on foreign or external policy has been published and approved by Parliament?

Hon. Arthur Laing (Minister of Public Works): (a) A major redesign of the building, which included a reduction in its size was carried out prior to the calling of tenders in order to meet an established reduction in the budgetary ceiling. (b) (i) No. (ii) No. The building is designed for the long range expansion of the Department of External Affairs. If for any reason there remains a surplus of space beyond that needed for External Affairs when the building is ready for occupancy in approximately three years, that surplus will be used for other compatible needs.

COST OF TOMMY HUNTER SHOW VISIT TO CANADIAN TROOPS IN CYPRUS

Question No. 1,636—**Mr. Coates:**

1. What was the cost to the federal government of the visit of the Tommy Hunter Show to Canadian troops stationed in Cyprus?

2. How many aircraft were involved in transporting the party and equipment associated with the Tommy Hunter Show?

3. How many individuals were transported to Cyprus by the federal government associated with the Tommy Hunter Show and what were the names of the individuals in question?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. The approximate cost to DND was $11,000.

2. No special aircraft were used to transport the Tommy Hunter Show to Cyprus. Personnel travelled on Regular Service Flight #307—Trenton to Nicosia, and return flight #308—Nicosia to Trenton. All associated equipment for the show was shipped via regular service flights.

3. Fifty-one. Mr. Y. Baloch; Mr. G. Basso; Mr. M. Beaulieu; Mr. J. A. Budell; Miss D. F. Cartner; Mr. A. P. Chernywech; Mr. R. E. B. Coyle; Mr. K. W. Dalzeil; Mr. J. Dixon; Miss D. S. Dorice; Mr. M. Ferbey; Mrs. Y. C. Forbes; Mr. H. L. French; Mr. G. W. Goldsmith; Mr. E. Hoppe; Mr. T. J. Hunter; Mr. R. B. Hutt; Mr. J. Jensen; Mr. E. D. Kristensen; Miss C. Lamagna; Mr. R. E. Livingston; Mr. P. C. Luxford; Mr. R. A. Mackborn; Miss J. E. Maloney; Mr. G. B. Marsh; Mr. B. Niosi; Mrs. C. D. Nolan; Mr. J. C. Piril; Mr. E. T. W. Reay; Mr. P. J. Riccio; Mr. B. K. Ritchie; Mr. E. M. Robertson; Mrs. M. D. Rodwell; Mr. I. Romanoff; Mrs. L. S. Romanoff; Mrs. J. A. Snider; Mr. T. H. Sora; Mr. R. A. Steiner; Mr. R. C. Steiner; Mr. R. D. Steiner; Mr. W. O. S. Strong; Mr. G. R. Tapp; Mr. D. A. Thomas; Mr. Traugopi; Mr. G. A. Trebek; Mr. R. G. Vezina; Mr. K. Wald; Mr. R. G. White; Mr. P. J. Zaza; Captain K. S. McArthur, Conducting Officer; Sergent J. C. Clement, Power Plant Operator.

PENITENTIARY, PRINCE ALBERT, SASKATCHEWAN—VISITS BY MEMBERS OF PARLIAMENT

Question No. 1,653—**Mr. Howard (Skeena):**

Since January 1, 1955, what is (a) the name of each Member of Parliament who visited the federal penitentiary at Prince Albert, Saskatchewan (b) the date and duration of each such visit?

Hon. G. J. McIlraith (Solicitor General): Visits by Members of Parliament to Saskatchewan Penitentiary since January 1, 1955, as taken from the records of that Institution, are as follows:

(a)	(b)	(c)
Hon. E. D. Fulton, minister of justice	12 April 1959	one day
Hon. L. T. Pennell, solicitor general	25-26 March 1966	two days
Hon. G. J. McIlraith, Solicitor General	8 September 1969	one day
Mr. F. Howard (Skeena)	3-4 April 1970	two days
Mr. R. J. Thomson (Battleford-Kindersley)	3-4 April 1970	two days
Mr. J. L. Skoberg (Moose Jaw)	3-4 April 1970	two days

Inquiries of the Ministry

• (2:10 p.m.)

ORAL QUESTION PERIOD

HOUSING

STEPS TO STIMULATE STARTS AND PROVIDE EMPLOYMENT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Prime Minister. As the house construction industry is one of the major employers of labour in Canada and as housing starts today are 43 per cent below what they were one year ago, is the government planning to take steps in the immediate future to stimulate our housebuilding industry so that we may have not only the housing we so badly need but the employment which their construction will provide?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as to steps the government has taken, the Minister without Portfolio responsible for housing has mentioned them in the House from time to time; as to the steps the government may still take, he will make that announcement in due course.

Mr. Hees: Mr. Speaker, of course that answer tells the country absolutely nothing.

Mr. Trudeau: It was not meant to.

An hon. Member: It was not meant to!

Mr. Hees: Mr. Speaker, may I ask a supplementary question. I would ask the Prime Minister, since he appears not to give a hoot about unemployment or the unemployed—

Mr. Speaker: Order, please. The hon. member cannot ask a question in those terms. He should ask his question.

Mr. McIlraith: Try again. See if you can grow up.

Mr. Hees: Mr. Speaker, since unemployment today is 21 per cent higher than it was last year, may I ask the Prime Minister whether he has considered following the very good example set by his colleague in Quebec, Mr. Bourassa, who has said that if he is elected and cannot reduce unemployment he intends to resign?

Mr. Speaker: Order, please.

CAPE BRETON DEVELOPMENT CORPORATION

PHASE-OUT OF No. 20 COLLIERY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion with respect to the activities of the Cape Breton Development Corporation and particularly with respect to No. 20 Colliery which, since the number of miners has been greatly reduced from 1,000 to barely 300, is apparently being phased out. Is it the corporation's intention to phase out this mine or, since it is one of the best mines in operation, is it the intention to go back to full production?

[*Mr. McIlraith.*]

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we know that Devco was incorporated precisely to phase out gradually the unproductive coal mines and to keep the productive ones in operation.

Now as regards No. 20 Colliery, I can try to get information and obtain a report on the recent events to which the hon. member refers.

[*English*]

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since this is one of the most productive mines under the jurisdiction of the Cape Breton Development Corporation and since it provides a great deal of employment in Glace Bay, would the minister undertake to use his good offices to see that this operation is not phased out any further but, instead, that it is expanded?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I am willing to table later a report on the situation existing at No. 20 Colliery.

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT INCREASE—IMPLEMENTATION OF REGIONAL ECONOMIC EXPANSION PROGRAMS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a related question. Inasmuch as Treasury Board has approved new initiatives under the special areas legislation and since we have had indications in the last several days regarding the chronic unemployment situation, can the minister say whether any new activity is under way or whether any new initiatives are being taken to speed up the effect of the regional economic development programs in the various regions of

Canada? I ask this question because the present pace of activity is so slow that there is relatively no positive effect on the unemployment situation.

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker.

Mr. Lundrigan: Mr. Speaker, a supplementary—

Mr. Speaker: Order, please. I believe the question as asked invited a statement on motions. The minister has given an answer. Perhaps it might facilitate the situation if the hon. member were allowed a supplementary.

Mr. Lundrigan: Mr. Speaker, the country is going to read with interest the elaborate statement of the minister on the unemployment crisis. I wish to direct my supplementary question to the Prime Minister. I am very concerned about this serious problem. I am sure most members of the House share this concern. Is the Prime Minister going to make a statement on motions, as intimated in reply to a recent question by another hon. member, indicating any new initiatives planned by the government before he goes on his scuba diving expedition in the next few weeks?

Mr. Speaker: Order, please. Is the hon. member rising on a point of order?

Mr. Lundrigan: Mr. Speaker, I asked the Prime Minister if he was going to make a statement on motions.

Mr. Speaker: If the hon. member had asked only that I would have allowed the question, but he asked the question in terms that cannot be allowed. The right hon. member for Prince Albert.

Mr. Lundrigan: Mr. Speaker—

Mr. Speaker: The hon. member may have an opportunity later. For the moment the Chair has recognized the right hon. member.

EXTERNAL AFFAIRS

UKRAINIAN SOCIALIST REPUBLIC—EXCHANGE OF CONSULAR REPRESENTATIVES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Having regard to the fact that the government has made two recent appointments of consular representatives, is the government considering asking the Ukrainian Socialist Republic to exchange consuls-general so that the Ukrainian people in Canada, many of whom want to visit the old land, and many people living in the Ukraine who want to come to Canada to visit their people, will be in a position where their applications will be processed more expeditiously than they are now?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the right hon. gentleman knows we are trying, I hope with the help of the opposition, to keep government expenditures under control. It is not my purpose at the present time to extend our diplomatic representation in that way.

Mr. Diefenbaker: Mr. Speaker, I know the Ukrainian people across Canada will not be delighted with the minister's answer, but with that very laudable objective in mind, will the minister say why the government entered into an agreement to pay $190,000 at the rate of $200 a day to chartered accountants to answer objections to the white paper on tax reform?

Mr. Speaker: Order, please.

SHIPPING

SINKING OF "PATRICK MORRIS"—CONDUCTING OF INQUIRY

Mr. James A. McGrath (St. John's East): I wish to direct my question to the Acting Minister of Transport or the Prime Minister. Is the government in a position to make a statement regarding the tragic sinking in the Gulf of St. Lawrence last night of the *Patrick Morris*? To this time have all the members of the crew of the *Patrick Morris* been accounted for?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have a report from the Minister of Transport on this tragic occurrence. I am told that of the people aboard the *Patrick Morris* there are 47 survivors accounted for at this time. Four of the crew are still missing. We have no further information.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question. In view of the fact that this tragedy has occurred and that there is some lack of clarity as to the causes of the disaster, can the right hon. gentleman indicate whether an inquiry is being conducted into the underlying causes of the tragedy and whether a report will be received?

Mr. Trudeau: Yes, Mr. Speaker. I am informed by the minister that departmental officials are on the way now to make a preliminary investigation.

AUDITOR GENERAL

FUNCTIONS AND JURISDICTION—APPEARANCE OF MINISTERS BEFORE PUBLIC ACCOUNTS COMMITTEE

Mr. Harold E. Winch (Vancouver East): With your permission, Mr. Speaker, I should like to ask the Prime Minister whether he or any of his ministers would be prepared to accept an invitation from the Public Accounts Committee to appear before that committee in relation to the role, the functions and the jurisdiction of the Auditor General, with meetings to commence on May 5?

Right Hon. P. E. Trudeau (Prime Minister): If the chairman of that committee, who I understand is not the hon. member for Vancouver East, were to invite the ministers to attend I am sure they would agree.

Mr. Winch: I understood the Prime Minister to say he would agree; I understood he also said that those members of his cabinet who have expressed opinions relative to the functions and work of the Auditor General would appear?

Mr. Speaker: Order. The hon. member appears to be repeating the question he asked in the first instance.

BILINGUALISM AND BICULTURALISM

FOURTH REPORT OF COMMISSION—ASSISTANCE IN INCREASING CULTURAL ACTIVITIES OF OTHER ETHNIC GROUPS

Mr. G. W. Baldwin (Peace River): I have a question for the Secretary of State, Mr. Speaker. If I may be permitted, I would refer to the question I addressed last Thursday to the Minister without Portfolio with regard to involvement of the federal government in the cultural activities of Canadians other than those of French or English origin. It may have been that my question was misunderstood I was thinking of cultural rather than linguistic rights. Would the minister institute a departmental inquiry into this issue and into the pertinent statistics gathered by the B and B Commission in its latest report which refers to the great contribution made by these Canadians, including the native peoples of Canada, with a view to deciding whether there cannot be greater participation by the federal government in increasing such cultural activities of these Canadian people?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the study undertaken by the government on Book IV of the Commission's report will certainly include the subject mentioned by the hon. member. But the study has not yet been completed and I cannot say exactly what policy the government will adopt in this respect.

[*English*]

[*Later:*]

REGIONAL ECONOMIC EXPANSION

SASKATCHEWAN—SPEEDING UP OF ALLOCATION OF INCENTIVE GRANTS TO OFFSET MIGRATION OF WORKERS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister of Regional Economic Expansion. It is related to one asked a few moments ago by the hon. member for Gander-Twillingate. In light of the fact that the January-February review of the Department of Manpower and Immigration indicates there is concrete evidence of a substantial migration out of Saskatchewan of some 7,000 of the labour force in January, will the minister press Treasury Board to speed up its allocation of regional development incentive grants in order to offset this serious loss of human resources to the Saskatchewan economy?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we have just designated the cities of Regina and Saskatoon as "special areas" and we hope this will have good results in Saskatchewan.

[*English*]

Mr. J. Edward Broadbent (Oshawa-Whitby): Would the minister care to comment on whether or not he thinks a change from a Liberal government to an NDP government might help the situation in Saskatchewan?

Mr. Speaker: Order, please.

[*Translation*]

SAINT-HYACINTE—ESTABLISHMENT AS DESIGNATED AREA

Hon. Théogène Ricard (Saint-Hyacinthe): Could the minister tell the House whether he has considered the representations that were

made regarding the city of Saint-Hyacinthe and the surrounding area?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker. I met with a large delegation from Saint-Hyacinthe this morning and we studied the problem of this city which is facing considerable difficulties.

[*English*]

FURTHER INITIATIVES TO SUPPLEMENT DEPARTMENTAL ACTIVITIES

Mr. John Lundrigan (Gander-Twillingate): I should like to ask the Prime Minister whether the government intends to announce any new initiatives at the federal level in order to supplement the activities of the Department of Regional Economic Expansion and whether he plans to make a statement on motions outlining such initiatives?

Right Hon. P. E. Trudeau (Prime Minister): As far as the activities of the department are concerned, the minister informs me that the agreement has not yet been signed, and it will have to be signed before the activities bear their fruit. On the general question of unemployment, I do not see that it would be very useful to make a statement on this subject during the next few weeks. I have already explained several times that unemployment would be substantially more serious in Canada if Canada were not waging such a fight against employment—

Some hon. Members: Oh, oh!

Mr. Trudeau: —against inflation. But I have ceased to try to convince the opposition of this.

Mr. Lundrigan: A supplementary question, Mr. Speaker. Would the right hon. gentleman consider relaxing government restrictions that have been placed on the spending of the Department of Public Works in view of the fact that not only is unemployment increasing but there is an increasing lack of activity in an area where a relaxation of restrictions is vital for the east coast fishing industry?

Mr. Speaker: Order. It seems to me that the question asked by the hon. member was asked last week in precisely the same terms on Thursday or Friday, I believe.

NEWFOUNDLAND AND NEW BRUNSWICK—SIGNING OF SPECIAL AREA AGREEMENTS WITH PROVINCES

Mr. James A. McGrath (St. John's East): A supplementary question to the Minister of Regional Economic Expansion. Now that Treasury Board has approved the two special areas programs for Newfoundland and New Brunswick—presumably the ones just referred to by the Prime Minister—would the minister tell the House when the agreements will be signed with the two provinces concerned which are obviously very anxious to get the programs under way?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, there should now be no further delay. It has all been approved, but there must at least be time to draft the final agreements and forward them to the provincial authorities for signature.

[*English*]

MANITOBA CENTENNIAL

REQUEST THAT JULY 15 BE HOLIDAY FOR WORKERS COMING UNDER FEDERAL JURISDICTION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Labour. May I welcome him back, and I am sure that my question is one that he will welcome. In view of the fact that the government of Manitoba is making arrangements for July 15, which is the 100th anniversary of Manitoba's entry into confederation, to be a holiday with pay for all workers who come under provincial labour jurisdiction, will the federal government consider the provincial government's request that similar arrangements be made for workers in Manitoba who come under federal labour jurisdiction?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the suggestion is a very progressive one and certainly a very fitting way to celebrate Manitoba's entry into confederation. Moreover, I hope private industry will listen as carefully as I was.

Mr. Joseph-Philippe Guay (St. Boniface): A supplementary question, Mr. Speaker. I was hoping that the question would apply to all civil servants, not only those in Manitoba. As 1970 is Manitoba's centennial year, this is the type of celebration that we would request the minister to consider.

Some hon. Members: Hear, hear!

Inquiries of the Ministry

VETERANS AFFAIRS

RELATION OF PENSIONS AND ALLOWANCES TO SOCIAL WELFARE PROGRAMS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Prime Minister. In view of the fact that the Minister of Veterans Affairs has indicated that the government has under review rates of pensions and war veterans allowances as part of its examination of the over-all fabric of social development programs, has the government now decided that war veterans pensions and allowances shall be part of social welfare?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it really depends on how you are discussing the definition of social welfare. We do not feel that they are welfare payments proper, but they are part of that whole area of social policy that the government is now reviewing, and I am sure the minister was alluding to that.

CANADA ELECTIONS ACT

PRINCE EDWARD ISLAND PROVINCIAL ELECTION—RESIGNATION OF CERTAIN FEDERAL RETURNING OFFICERS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Secretary of State. Would the minister ascertain from the Chief Electoral Officer whether resignations have been received from the returning officers for Egmont and Cardigan constituencies in Prince Edward Island, considering that both these gentlemen have for some time been Liberal candidates in the forthcoming provincial election?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I will gladly obtain the information the hon. member wants and pass it on to him.

[*English*]

HEALTH AND WELFARE

LEGISLATION TO CONTROL CERTAIN PROMOTIONAL CAMPAIGNS BY CIGARETTE COMPANIES

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of National Health and Welfare. It has to do with the very much stepped-up coupon give-away campaigns being conducted across Canada by the cigarette companies in the face of the recommendations made by the health and welfare committee of this House. Can the minister indicate that we may expect cigarette advertising control legislation to be introduced prior to the summer recess?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the department and I have given a lot of consideration to the recommendations of the parliamentary committee and I expect to make recommendations to my colleagues on this matter very shortly.

POLLUTION

COMPENSATION TO LAKE ERIE FISHERMEN FOR MERCURY CONTAMINATION OF FISH

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, my question is for the Minister of Fisheries and Forestry. In view of the compensation that has now been made available to Lake St. Clair fishermen, and in view of the fact that Lake Erie fishermen have also suffered considerable loss through the freeze on sales and loss of fishing time, what steps is the department considering to compensate the Lake Erie fishermen?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this matter has been under active consideration with the provincial authorities, particularly the Ontario Department of Lands and Forests, concerning fishermen on Lake Erie as well.

COMPENSATION TO LAKE WINNIPEG FISHERMEN FOR MERCURY CONTAMINATION OF FISH

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to ask the Minister of Fisheries whether consideration has been given to compensating Manitoba fishermen, particularly those of Lake Winnipeg who have suffered losses because of mercury poisoning found in fish in that lake?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, Mr. Speaker. I expect to be meeting next Monday with the hon. Mr. Green in Winnipeg to discuss this matter.

[*Translation*]

LABOUR CONDITIONS

YARMOUTH, N.S.—MEASURES TO PROVIDE EMPLOYMENT FOR DISPLACED TEXTILE PLANT WORKERS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

I should like to ask him whether or not he is aware of the impact the closing down of the Dunlop company in Toronto will have on the textile industry in Yarmouth and also what steps are to be taken by his department to curb unemployment in Yarmouth which is a designated area.

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, as far as the Dunlop company is concerned, it falls under the jurisdiction of the Department of Industry, Trade and Commerce, and not under the Department of Regional Economic Expansion.

Mr. Comeau: Mr. Speaker, I want to ask a supplementary question.

I should like simply to ask the minister, since there will be unemployment in Yarmouth, whether he is studying the problem in order to reduce to a minimum the number of employees who will be laid off.

Mr. Marchand (Langelier): It is the constant concern of the officials of my department, Mr. Speaker.

[*English*]

CANADA ASSISTANCE PLAN

REFUSAL OF BENEFITS TO MEMBERS OF B.C. BUILDING TRADE UNIONS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of National Health and Welfare which arises from a situation in British Columbia where the locked-out members of seven building trade unions have been refused welfare payments, contrary to the terms of the Canada Assistance Plan. In view of the television refusal of welfare minister Gaglardi to comply with the federal minister's request that the terms of the plan be met, can the minister say what action he plans to take to enforce the terms of the legislation?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I indicated the provisions of the Canada Assistance Plan to the minister to whom the hon. member has referred, and also that any such obstacle placed in the path of recipients in terms of receiving benefits would be contrary to the plan. All I can say is that if we have specific instances where recipients are denied benefits contrary to the plan we will have no choice but to take appropriate action in terms of reducing the moneys payable to that province under the Canada Assistance Plan.

Mrs. MacInnis: Mr. Speaker, I have a supplementary question. In view of the fact the provincial government got its own way, which was not in accord with the terms of the plan, in connection with the people involved in the longshoremen's strike, is there any guarantee that things will be different this time?

Mr. Speaker: Order, please. I doubt whether the supplementary is in order. I would not think that the question, in the terms it was asked, would be acceptable.

[*Translation*]

LABOUR RELATIONS

QUEBEC—REPORT ON STRUCTURE AND POWERS OF UNION MOVEMENT

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I want to put a question to the Minister of Labour.

Could he say what are the terms of reference of the experts conducting a study and preparing a report on the structure and authority of the union movement in the province of Quebec, particularly on the CNTU?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I would have to take that question as notice and review the terms of reference in order that I may be accurate.

Mr. Ricard: At the same time, would the minister be kind enough when he gives the answer to tell us whether the report dealing especially with the CNTU is to be confidential or made public?

[*Translation*]

Mr. Mackasey: With pleasure, Mr. Speaker.

[*English*]

CANADIAN BROADCASTING CORPORATION

FILM SHOWN ON PROGRAM, "THE NATION'S BUSINESS"

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. Was the film shown last night on the CBC program, "The Nation's Business", sponsored and paid for entirely by the Liberal party?

An hon. Member: It was a pretty good one, wasn't it?

Inquiries of the Ministry

Mr. Speaker: Order, please. It is difficult to know the circumstances of the situation to which the hon. member refers. I should think that if the question is in order it should be placed on the Order Paper, and I would have some reservations about that too.

[*Later:*]

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question related to one asked a few moments ago by the hon. member for Edmonton Centre, and I direct it to the Prime Minister. Were any public funds involved in the production of the film shown on "The Nation's Business" last night and supposedly sponsored by the Liberal party?

Mr. Speaker: Order. The hon. member has reiterated the question asked by the hon. member for Edmonton Centre. My suggestion was that due to the fact that it related to certain circumstances it might be placed on the Order Paper and if there was urgency it could be considered at the time of adjournment.

Mr. MacInnis: On a point of order, Mr. Speaker, the difference between the questions asked is that I related my question to a program supposedly sponsored by the Liberal party and the use of public funds. I think the Prime Minister should be in a position to answer whether or not this is so.

Mr. Speaker: The hon. member will recognize it has been suggested that if there is urgency in respect of the hon. member's question or the question of the hon. member for Edmonton Centre the matter might be considered at the time of adjournment.

EXTERNAL AFFAIRS

PROPOSED RECOGNITION OF COMMUNIST CHINA

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Has he any additional information for the House on the negotiations in respect of the recognition by Canada of the Peking government and when are those negotiations likely to be concluded?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have nothing fresh to add to the information I have already given the House. Our negotiations continue. I cannot say when they will be successfully concluded. I hope they will be but, as I have said on many occasions, in dealing with the Chinese one must be very patient.

[Mr. Paprowski.]

Mr. Baldwin: And the same in dealing with the Canadian government; you have to be patient.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO WHITE PAPER

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Labour. Can he inform the House when the proposed white paper on the Unemployment Insurance Commission will be forthcoming?

Hon. Bryce Mackasey (Minister of Labour): I cannot say specifically, Mr. Speaker. It depends on a lot of factors. It depends on the workload of the House, the workload of the government and the workload of the departmental committees. We indicated in the Throne Speech there would be such a paper and I hope it will be forthcoming.

Mr. Broadbent: Mr. Speaker, can the minister inform the House whether it is currently being held up because of objections by the Department of Manpower?

Mr. Mackasey: The answer to that is no.

DENIAL OF BENEFITS TO CERTAIN EMPLOYEES IN B.C. INDUSTRIES INVOLVED IN DISPUTES

Mr. Mark Rose (Fraser Valley West): I have a question for the Minister of Labour which is similar to the question directed to the Minister of National Health and Welfare by the hon. member for Vancouver-Kingsway. It relates to those people not directly involved in labour disputes in Vancouver such as harbours board employees and building trades and Pacific Press employees specifically who have been denied unemployment insurance on the ground that there is a labour dispute and are not able to get social welfare because they are not regarded as unemployed. What does the minister plan to do now about this particular situation?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the policy of the Unemployment Insurance Commission in respect of strikes has been very clear and consistent throughout the years. Even though a person may not belong to a union, but want to take advantage of a legal strike, he is not entitled to unemployment insurance because he becomes eventual beneficiary of the union's negotiations.

Mr. Rose: I have a further supplementary question, Mr. Speaker. The problem seems to centre around the fact that they are not—

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

LABOUR RELATIONS

INTRODUCTION OF LEGISLATION AMENDING INDUSTRIAL RELATIONS AND DISPUTES INVESTIGATION ACT

Mr. John Gilbert (Broadview): Mr. Speaker, I have a question for the Minister of Labour. In view of the major lay-offs occurring in industry across Canada, when does the minister intend to bring forth legislation in accordance with the Freedman report?

Hon. Bryce Mackasey (Minister of Labour): There is no legislation based exclusively on the Freedman report, Mr. Speaker. If the hon. gentleman is referring to the major overhaul of the Industrial Relations and Disputes Investigation Act, which may include recommendations on the Freedman report, we are still waiting for a few briefs from interested parties, including labour, which should be on my desk in the next few weeks. That is the last major hurdle.

GIVING OF NOTICE BEFORE MASS LAY-OFFS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, would the minister say whether the government is contemplating legislation dealing with a requirement in respect of federal industries for some period of notice before mass lay-offs take place?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think this would be highly desirable and in keeping with the twentieth century.

ADMINISTRATION OF JUSTICE

PROVISION OF PROTECTION FOR PEACEFUL ASSEMBLIES

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the right hon. Prime Minister which involves the policy of the government or successive governments toward the right of peaceful assembly. In view of the fact that a widely representative, peaceful and legal assembly on Parliament Hill last Saturday had to organize an army within its own members to assure peace, may those who wish to demonstrate get a permit to assemble with the expectation that they will receive some protection by the RCMP from radical groups?

Right Hon. P. E. Trudeau (Prime Minister): I am afraid I cannot answer this question offhand. The hon. member is asking a very difficult and important policy question. I can say that the Minister of Justice and the Solicitor General are now engaged in an attempt to formulate for the government our policy on the whole question of maintaining the law in the country.

PUBLIC WORKS

BRITISH COLUMBIA—ANNOUNCEMENT OF CONSTRUCTION PLANS

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I address a question to the Minister of Public Works. As we both come from the same city I know he will understand the purport of my question. Announcements have been made and contracts let relevant to federal public works construction in many provinces, particularly Quebec and Ontario, but not with regard to British Columbia. May I ask the minister when announcements will be made in respect of federal construction plans in British Columbia in general and Vancouver in particular?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think the hon. member is referring to an announcement I made that it was our intention to build a new federal building in the city of Vancouver. A survey is under way now and I would expect a decision to be made concerning the location and an indication of its size in a matter of three or four months.

POLLUTION

DUMPING OF RAW SEWAGE IN RED RIVER BY TOWN OF SELKIRK

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I have a question which is supplementary to a statement made earlier by the Minister of Fisheries and Forestry. In view of the fact that Manitoba, through the Manitoba Environmental Commission, on March 12 gave the town of Selkirk permission to continue to dump raw sewage into the Red River for several years, would he take up this matter of permission at its source when discussing another matter with the provincial Minister of Mines and Natural Resources?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, Mr. Speaker.

Mr. Speaker: It must be assumed that the question will be taken into account by the minister.

Inquiries of the Ministry

HEALTH AND WELFARE

ACTION ON WELFARE COUNCIL REPORT ON YOUTH

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Secretary of State. Can he inform the House what action his department is taking in respect of the recent Canadian Welfare Council report on transient youth?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I will take that question as notice, Mr. Speaker.

[*English*]

CRIMINAL CODE

INTRODUCTION OF AMENDMENTS RESPECTING FALSE ARREST AND VAGRANCY

Mr. John Gilbert (Broadview): Mr. Speaker, I have a question for the Minister of Justice. Is it his intention to bring forward legislation at this session to amend the Criminal Code with respect to such matters as false arrest and vagrancy?

Hon. John N. Turner (Minister of Justice): Yes, Mr. Speaker. I intend very shortly to bring before the House a bail reform bill relating to bail, arrest and summons.

TAXATION

WHITE PAPER ON REFORM—RETURN OF MINISTER OF FINANCE TO HOUSE

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, this question is for the Prime Minister. Can the Prime Minister inform the House when the Minister of Finance will be back in his place in the House so that we can start in again on the white paper?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe he is due in the House tomorrow. I will check.

Mr. Bell: Mr. Speaker, may I ask the Prime Minister whether he anticipates a decrease in the $190,000 expenditure when the Minister of Finance returns?

REGIONAL ECONOMIC EXPANSION

SLAVE LAKE DEVELOPMENT PROPOSAL—NEGOTIATIONS WITH PROVINCIAL GOVERNMENT

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Could the minister inform the House when his department plans to conclude its negotiations with the provincial government concerning the Slave Lake development proposal?

Mr. Speaker: I am not sure just how urgent this matter is. The hon. member has asked a question and perhaps the minister might be allowed to reply.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, unfortunately I cannot mention a specific date yet, but I hope that it will be in a few weeks.

[*English*]

SHIPPING

REPORT ON SAFETY AND MANNING CONDITIONS ON WEST COAST TOWBOATS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I should like to ask the Minister of Labour when the Elestrom study—the labour department's study on safety and manning provisions for the west coast towboat industry—will be available to the general public?

Hon. Bryce Mackasey (Minister of Labour): Perhaps never, Mr. Speaker. It was not intended that it be made available to the general public. It was intended to reveal to the Minister of Labour, the Minister of Transport and senior civil servants conditions on the waterfront in the tugboat industry in British Columbia. I am considering releasing the report to the unions and to management as well as senior officials on the coast in order that they may work together as a team to clean up what is an unenviable situation.

EXTERNAL AFFAIRS

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. Last week I asked him some questions regarding the transfer of nerve gas from Okinawa to the United States via the Strait of Juan de Fuca. At that time the minister said, I believe outside the House, that his department was making representations to the government of the United States concerning the possibility of their finding another route rather than going through the Strait of Juan de Fuca. I should like to ask the minister, first, whether he has

received any reply to the representations and what it is and, second, whether he has received any information yet concerning the date when this transfer will take place?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thought I had said in the House that we made oral representations to the United States about the shipment of nerve gas and also written representations. We have not received any written reply. Of course, in response to the representations we made, we have received a good deal of information about the precautions being taken. I have also raised with the United States the question of whether or not they would agree to some of this information being made available to the public in Canada as well as in the United States. We have not received any response to the representation that it might be possible to move the gas by some other route farther distant from Canada or that it should not be moved at all.

GREECE—CRITICISM BY COUNCIL OF EUROPE —CANADIAN ACTION

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Secretary of State for External Affairs. On Wednesday last I asked the minister whether the Canadian government planned to join with the Council of Europe in its criticism of the practice of the government of Greece in taking away civil liberties from its citizens. At that time I received the reply that he did not have a copy of the report upon which that decision was made. My question today is, does the government of Canada now have that report and has it decided to act upon it?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think even before I was asked the question in the House I had cabled our representative in Europe to try to obtain a copy of the report. We have not yet received a copy but we will be studying it and may have something to say about it after we have studied its contents.

Mr. Broadbent: Mr. Speaker, does the government intend to follow the example of the Prime Minister of Denmark who has recently suggested to the United States that it cease sending arms to Greece?

Mr. Sharp: Mr. Speaker, our shipments of arms to Greece are very minimal and would not in any way contribute to the ability of the Greek government to put down any internal insurrection.

Inquiries of the Ministry

URBAN AFFAIRS

INVOLVEMENT OF HOUSE OF COMMONS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Prime Minister. In view of the terms of the brief presented today to the government by the Association of Mayors and Municipalities of Canada, has the government reviewed its policy in respect of involvement of Parliament and the House of Commons and changed its policy of some months ago when the government rejected a proposal by this party that it should be a duty of the House of Commons to look at this issue?

Right Hon. P. E. Trudeau (Prime Minister): The question was not raised, Mr. Speaker.

FISHERIES

ACTION REGARDING INDISCRIMINATE USE OF HERRING SEINERS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. It is a very urgent matter. Can the minister say whether his department is planning any action on the basis of complaints of indiscriminate use of herring seiners on the east coast of Canada resulting in the almost total destruction of herring resources, similar to what happened on the west coast of Canada?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, Mr. Speaker.

UNEMPLOYMENT INSURANCE

DENIAL OF BENEFITS TO CERTAIN EMPLOYEES IN B.C. INDUSTRIES INVOLVED IN DISPUTE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Minister of Labour a question supplementary to the question asked by the hon. member for Fraser Valley West. The minister mentioned the regulations under the Unemployment Insurance Act with regard to men on strike. I want to ask the minister about those men who are not on strike but who are out of work because of a strike and the evident injustice to them of being penalized when they are not responsible for the strike and do not necessarily benefit from the strike. Is he prepared to change the regulations to make it abundantly clear that persons of this type are entitled to unemployment insurance?

Hon. Bryce Mackasey (Minister of Labour): I thank the hon. member for the question.

Where it can be proven that a worker is without work as a result of a strike in which he is not participating and from which he will derive no direct benefit, that person is entitled to unemployment insurance. It is only in the case where a person is out of work who may not be a member of the union but will benefit from the collective agreement that is eventually signed that we ask him to share the responsibility of the union members on strike and not draw unemployment insurance. But if he does not benefit from the strike then he does have unemployment insurance benefits.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Then may I ask if the minister would look into the very large number of cases now before the Unemployment Insurance Commission, particularly with respect to those longshoremen on the spare board who are not members of the union and whose benefits are not retroactive to September 1, and who have been denied unemployment insurance benefits and have no assistance whatever?

Mr. Mackasey: Mr. Speaker, I am sure the hon. member knows as well as I do that although they may not be entitled to retroactive pay, their pay per hour is increased as a result of the settlement of the unions.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

FISHERIES ACT

AMENDMENTS RESPECTING "CLOSE TIME", DEPOSITING OF WASTE, MARINE PLANTS, ETC.

On the order:

Second reading and reference to the Standing Committee on Fisheries and Forestry of Bill C-204, an act to amend the Fisheries Act—Mr. Davis.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, before the Minister of Fisheries (Mr. Davis) moves second reading of this bill, I wish to raise a point of order. I contend that Bill C-204, an act to amend the Fisheries Act, offends against Standing Order 69 which provides:

No bill may be introduced either in blank or in an imperfect shape.

This bill incorporates, by reference, certain provisions of two statutes which do not exist, namely, the Canada Water Act and the Northern Inland Waters Act. The references

to the Canada Water Act are to be found on page 2, lines 4 to 14; page 4, lines 39 to 42, and page 11, lines 4 to 14. The reference to the Northern Inland Waters Act is on page 2, lines 15 to 23.

These references apply to the most substantive provisions of this bill, that is, the provision creating the offence of depositing waste in the sea near our coast and inland waters, set out in clause 3, page 1, and the definition of waste itself which is also set out in clause 3, but on page 4. Neither of these provisions can be understood, nor can the principle embodied in them be considered and debated by this House without knowing the restrictions and qualifications contained in these non-existent statutes.

Presumably these references relate to Bill C-144 and Bill C-187, both of which are now before standing committees of this House for clause by clause consideration. We cannot be asked to assume that these bills will come out of committee unamended or pass through the necessary further proceedings in this House and in the other place unamended. We cannot even assume that the similar provisions in this bill and the other two bills will come out in the same legislative form. They will be dealt with by three different committees; the Standing Committee on National Resources and Public Works, the Standing Committee on Indian Affairs and Northern Development, and the Standing Committee on Fisheries and Forestry. Until these other two bills are in perfect shape as statutes, this bill must be considered to be in imperfect shape.

Properly, this bill should be ruled out of order. However, with the consent of the House the better course would be to permit it to remain on the Order Paper until the other bills, incorporated by reference in this bill, are enacted. It should be noted that clause 9 of this bill, page 11, admits the validity of this point of order. That clause acknowledges that this bill, in its present imperfect shape, would not be enforceable, as to the clauses in question, in the courts until the Canada Water Act comes into force.

Hon. Donald S. Macdonald (President of the Privy Council): On the question of order, Mr. Speaker, as the hon. member has pointed out it is not the intention of the government that this bill should become operative until the Canada Water Act has become law. The hon. member is incorrect in saying that this bill is imperfect in any form. It is perfect in itself, that is to say, from the standpoint that he used the phrase. It provides for certain

amendments to the Fisheries Act which are consequential upon changes being made in the Canada Water Act.

From the standpoint of the presentation of the various bills dealing with the question of pollution, if of course any amendments are made by the committee, and subsequently concurred in by the House, with respect to the Canada Water Act or indeed with respect to the other bills which have precedence in order of time over this particular bill, then of course the House will be in a position to make any consequential amendments that might be necessary in this particular case.

I would not think an assumption can be made about what the committee might or might not do with regard to any other legislation. Really each bill should stand on its own feet, only subject to the provision in clause 9 in this case, which relates to the day when it comes into force. On that basis, I would suggest that there is no substance to the point of order.

• (3:00 p.m.)

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I find an initial difficulty in following the argument of the President of the Privy Council (Mr. Macdonald).

Mr. Baldwin: What else is new?

Mr. Lambert (Edmonton West): As my colleague says, that is not anything new. I submit that this House must not be asked to legislate a nullity, in other words, perform a hypothetical exercise. The two bills referred to on page 2 of this bill are somewhere else. There is no guarantee that these bills will ever be passed. Therefore, this whole bill would be inoperative in the event that the other two bills should not be proceeded with or, for some reason or other, should not receive Royal Assent. For that reason, I would find that there is some very grave difficulty in asking the House to pass clause 3, which is the one dealing with the Canada Water Act and the Northern Inland Waters Act. If we pass that, we are passing a meaningless clause. Therefore, if the bill is meaningless, in part, why ask this House to perform this exercise? For that reason, I would say that the bill in its present form is imperfect.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, the arguments have been well and eloquently put forward by my colleagues. I only seek to cap them by saying it is but a very brief step from this to accepting the principle that the government can move second reading of a bill containing provisions which are based on another bill which has not even been introduced into the House. I call to Your Honour's attention our faithful friend and companion for many cold winters over the last seven years, the Canada Development Corporation. It may well be that, in a bill to be presented to this House, the government may provide that the financing of the particular measure will be founded on the successful passage of the Canada Development Corporation bill, which may never see the light of day.

In the present bill there are certain clauses which are related to another bill in such a way that the legality, the effectiveness and the implementation of this bill must rest upon the foundation of the passage of the other bill. If that is the case, we have to take just one more step until we say, "Right, we will pass a bill now, the effectiveness of which is founded upon and related to another bill which is not yet introduced into the House."

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I find the point of order that has been raised a very interesting one. If Your Honour is considering this question of order, I wonder if I might draw Your Honour's attention to page 3 of the bill which has to do with prevention of the pollution of the Arctic waters, Bill C-202, where there is a similar situation, which was not raised at the time of its introduction for second reading. This clause reads in part:

—without limiting the generality of the foregoing—

That is the defining of waste.

—includes anything that, for the purposes of the Canada Water Act, is deemed to be waste.

I would suggest to Your Honour that any consideration of this question brings under review not only the bill before us, but also Bill C-202.

Mr. Speaker: The hon. member for South Shore (Mr. Crouse), with the support of some of his colleagues, has suggested that the bill now before the House is imperfect in its form because its enactment in perfect form is dependent on the adoption of two other bills which are, at one stage or another, currently before the House, to wit, the Canada Water Act and the Northern Inland Waters Act.

The point made by the hon. member for South Shore and other hon. members to the left of the Chair who have taken part in this

debate is an interesting one and the argument is not without merit. If it has a fault, it is that it might be premature. In my view, I think I have to assume that if the bill receives second reading and is referred to committee, it would then be considered by a committee of the House along with the other two bills and it would be at the third reading stage that the argument could be presented with much more force and at that point should be considered very seriously.

I have every possible sympathy with the view expressed by the hon. member for South Shore and the hon. member for Edmonton West (Mr. Lambert). As the hon. member for Peace River (Mr. Baldwin) has pointed out, the adoption of this kind of procedure might lead us to rather extreme situations. Because of this I would suggest that the argument, if circumstances are such that the bill is still dependent at that stage on the adoption of other bills in statute form, might be brought up again and it would be considered by the Chair.

Generally speaking, my conclusion would be that the interesting point is perhaps premature. I would suggest that the House proceed with the consideration of the bill and if on third reading we are still in the position where we are being asked to adopt a bill which is dependent on the adoption of other bills, the terms of which are still uncertain, then the matter might be considered by the Chair.

Hon. Jack Davis (Minister of Fisheries and Forestry) moved that Bill C-204, to amend the Fisheries Act, be read the second time and referred to the Standing Committee on Fisheries and Forestry.

He said: Mr. Speaker, today hon. members are being asked to consider several important changes in the Fisheries Act. These changes will strengthen the act. They will clarify it and they will put more teeth in it.

With these amendments, the Fisheries Act will become a better act and a more effective act. It will provide a greater measure of protection for our aquatic environment and it will enable Canadians to generate higher incomes from our commercial fishery, and our sports fishery in this country.

As most hon. members know, the Fisheries Act is a federal act. It is an act which is as old as confederation itself. Our Fisheries Act was passed during Canada's first session of Parliament. It was passed more than 100 years ago. The Fisheries Act has, of course, been revised and updated with the passage of time.

[Mr. Speaker.]

It has changed in some ways but it is still national in character. It is still nationwide in its application. It applies, as our Canadian constitution says, to our "seacoast and inland fisheries". It applies from sea to sea—from the Atlantic to the Pacific. It also applies from our international boundary line in the south to the Arctic ocean in the north.

Perhaps I could put it another way. Fisheries are entirely a federal responsibility. Parliament, alone, makes the laws with regard to fish in salt water and fish in fresh water. The Fisheries Act, therefore, applies to Canadian waters everywhere. The only limitation is whether the water in question now supports fish life or has done so in the past. Parliament, under our constitution, passes all of the laws dealing with fisheries as a resource. Ottawa also writes all of the regulations drawn up under the Fisheries Act. It writes the regulations even when the administration of the act has been delegated to one of the provinces.

Let me give you an example. The administration of our federal Fisheries Act was delegated to Alberta in the 1930's. Alberta, in other words, administers the Fisheries Act in all of the waters of that province. But when Alberta wants to change any of the regulations under the act it must get our approval. It must ask Ottawa to approve every change in the rules in so far as they apply to the fresh water fishery there.

The situation in the four Atlantic provinces, British Columbia, the Yukon and the Northwest Territories is relatively straightforward. There, Ottawa not only makes the law and draws up its own regulations but also administers the fishery as well. We are legislators and administrators in salt water. But, inland, the situation varies from place to place.

Throughout the prairies and in Ontario and Quebec, the administration of the Fisheries Act is delegated to one or more provincial departments. They administer the act in so far as opening and closing dates, catch limits and other conservation measures are concerned. Still, they rely on our Fisheries Department. They rely on us for fisheries research, fisheries development programs, fish inspection and fish marketing services. Obviously our department is active everywhere in Canada. It is active throughout Canada, even though the administration of the Fisheries Act itself may be delegated to some province and not to others.

Both levels of government look on the Fisheries Act as a useful tool. It is useful, primarily, as an act to protect our living resources in water. But it can also be used as a device to protect the fishery and our own Canadian fishermen. It governs our own fishermen wherever they go on the high seas. It follows Canadian fishing vessels. And it is used to protect our aquatic environment, not only in our largest coastal bays but in our smallest mountain streams as well.

Our own administrative arm has lots of muscle. We have fisheries officers located on both our coasts, in the Arctic and along our salmon rivers. Their main responsibility is to protect the fishery there. It is to conserve fish stocks by looking after spawning grounds, preventing the destruction of streams by bad logging practices, keeping an eye open for toxic sprays and checking on the discharge of industrial wastes.

Some hon. members will be surprised to know that we have dozens of prosecutions under the Fisheries Act. They will also be surprised to learn that we have a thousand officers in our conservation and protection service. These men are well trained. Each is a conservationist in his own right. Each is familiar with his own particular area. Each knows its commercial and recreational possibility. Each officer also knows who to contact when things go wrong as well as how to anticipate problems and head them off before they happen.

I would be remiss, Mr. Speaker, if I failed to mention the close working relationship which these officers have with their provincial counterparts. They co-operate closely with the local fish and wildlife people. They also consult with the local foresters and, together, they take a multi-purpose approach to the management of our renewable resources there.

Please notice that I have been using the word "fish" as if fish were the only form of aquatic life. But the term fish, by definition in the Fisheries Act, also includes marine mammals like seals. It includes shellfish like oysters. It includes crustacae like shrimp. It includes minute organisms like zooplankton.

In order to complete the chain, we must also include plant life. We must also include plant life, specifically, under the Fisheries Act. We must include aquatic plants because they are very important in the natural scheme of things. Marine plants are often food for fish. However, in excessive quantitites they can also be harmful to fish. In the right amounts they can be harvested commercially. Millions of dollars worth of marine plants are already cropped annually in this country. This is another reason they should be referred to, specifically, in the Fisheries Act.

• (3:10 p.m.)

Incidentally the inclusion of marine plants will bring the Fisheries Act into line with our Fisheries Research Board Act, our Fisheries Development Act and our Fish Inspection Act. All of these important pieces of legislation recognize the ecological reality—the reality that fish life and marine vegetation are interrelated. They are part of our wider marine ecology and should be treated as such in our legislation.

Again, there is a need to control harvesting of seaweeds in the interests of orderly growth in that industry. Because the jurisdiction over the resources of the sea bottom is federal, federal legislation is needed as a basis for management. In this field of marine plants we, of course, will have to work closely with the provinces. Working closely with certain provincial government departments on both coasts we see a great new seaweed industry ahead. It is an industry which is already generating products ranging from cosmetics to clothing on the one hand, and from chocolate milk to beer on the other.

Before leaving this subject of marine plants, I would like to say a few words about algae. Algae are also marine plants. They are also living organisms. They are forms of vegetation living in waters which can be enriched in various ways. Indeed, enrichment is often the key to the proliferation of algae everywhere.

Our current problem in Lake Erie, for example, is one of over-fertilization or over enrichment. Over-fertilization or over enrichment produces algae in tremendous quantities. Mark you, algae is not always a bad thing. It may be harmful to some kinds of fish and helpful to others. In large quantities, it is generally destructive to high energy fish like trout and helpful to plant eating species like perch and carp. Incidentally, the perch industry has been flourishing in recent years in Lake Erie and the dollar value of the catch has been mounting quite steadily. I might say parenthetically also that a problem in the Far East in respect of carp stems from a lack of fertilization in the water. The lack of enrichment means a lack of algae and a lack of food for the carp. Obviously, much depends on the

particular balance that a society wants to create as between algae and vegetation in water and fish life.

All this proves is that the fortunes of our fish and our marine plants, including algae, are interrelated. They are interrelated in the natural scheme of things. This is a very good reason why they should also be related, closely, under our national Fisheries Act.

Hon. members will doubtless be interested in our marine plant research program. Most of this work is carried out by biologists with our Fisheries Research Board. The Board has its main environmental laboratories in Nanaimo on the West Coast; in Winnipeg, Manitoba; Burlington, Ontario and St. Andrews and Dartmouth on the East Coast. There, our scientists are studying the effects of various pollutants on algae both in fresh water and in the sea.

This brings me directly to the subject of pollution. Anything that harms fish or stimulates the growth of algae may be harmful to man himself. Marine life, indeed, is often more sensitive to pollutants than mankind is. It follows that the living resources in water are our first line of defence. Healthy fish mean a healthy environment and a healthy fishery is undoubtedly the best insurance policy we can buy in our battle against pollution in water.

The idea of preventing pollution in fisheries waters is, of course, as old as the Fisheries Act itself. The act has always contained clauses dealing with this subject. Indeed, a clause along those lines actually appeared in the Upper Canada Statute of 1860. Here is how the Fisheries Act has read for decades and still reads in so far as the discharging of waste into fisheries water is concerned. The act reads in part:

> No person shall cause or knowingly permit to pass into, or put or knowingly permit to be put, lime, chemical substances or drugs, poisonous matter, dead or decaying fish, or remnants thereof, mill rubbish or sawdust or any other deleterious substance or thing, whether the same is of a like character to the substances named in this section or not, in any water frequented by fish, or that flows into such water, nor on ice over either such waters.

The present act goes on to say:

> The Governor in Council may by order, deem any substance—

I repeat, any substance.

> —to be a deleterious substance for the purpose of this section (of the Act).

We have these formidable powers now. We have these powers without amending the

[Mr. Davis.]

Fisheries Act. We have them without the bill today. However, they are not specific enough. They are difficult to administer fairly. They don't deal with "wastes" in quantitative terms. By quantitative terms, I mean concentrations. Nor do they relate, directly, to other pieces of federal legislation such as our new Canada Water Act or the Northern Inland Waters bill.

The old definition, in other words, is not good enough. It needs to be updated. We need modern wording and we need phraseology which is consistent with that used in other federal acts. Besides, we need to place the emphasis on prevention rather than cure. We should use terms which look ahead, which are designed to prevent pollution before it occurs and which place the emphasis on upgrading our waters rather than simply punishing the offender after the damage is done.

We can achieve these objectives by defining "wastes" in the right way. We are attempting to do this in the present bill by using the same definition of "waste" as appears in the Canada Water Act. "Waste", according to the Canada Water bill definition and according to the Northern Inland Waters bill definition as well as according to the amendments proposed for the Fisheries Act, therefore means this. I quote from the bill:

> —any substance that, if added to any waters, would degrade or alter or form part of a process of degradation or alteration of the quality of those waters to an extent that is detrimental to their use by man or by any animal, fish or plant that is useful to man, and
>
> —any water that contains a substance in such a quantity or concentration, or that has been so treated, processed or changed, by heat or other means, from a natural state that it would, if added to any waters, degrade or alter or form part of a process of degradation or alteration of the quality of those waters—

This, then, is the definition of waste. It will be the same under the Fisheries Act as it will be under the Canada Water Act. The two pieces of legislation will be on all fours. What is deemed to be waste under the Canada Water Act will be waste under the Fisheries Act and vice versa.

Of course, we will be able to write detailed regulations. We will be able to identify substances and name concentrations which are permissible in water. Any amount of a waste substance which is in excess of those concentrations or which would kill juvenile salmon, for example, is out. It will be deemed to be waste. It will be deemed to be pollution under the Fisheries Act as well as the Canada Water Act.

Of course, if a pollutant is discharged into Canada's fisheries waters the offending party may be prosecuted. If we are dealing with an industry, it may be prosecuted without warning. Up until the present time, the maximum fine has been $1,000 under the Fisheries Act. The passage of this bill will increase the fine to $5,000. It could be $5,000 a day if the pollution continues after a warning has been given to the plant owners by our departmental officials. Hon. members will please note that the nature and amount of the fine will also be the same as under the Canada Water Act. Again, the Fisheries Act and the Canada Water Act are in step. They are in step in respect of the definition of waste and they are identical when it comes to the maximum penalty which can be levied under our new legislation.

The administration of both acts will also be dovetailed. Officials from my department will be serving on the consultative committees and regional management boards set up under the Canada Water Act. They will do their best to make these consultative committees work and these over-all, federal-provincial management boards work. They have every reason to do so. Organized discussions and organized planning of this kind is likely to be much more helpful to our fishery than the catch-as-catch-can processes of the past.

When developments proceeded, willy-nilly, the fisheries were usually ignored. Power dams were built without regard to salmon runs. New industries were brought in without regard to pollution and its effect on our fish. The environment suffered and the ecological balance in our waters was upset. "Hard" industry has flourished. But living organisms have frequently been destroyed. Our scenery has been blemished and our recreational potential has been wiped out.

The Canada Water Act should change all that. In our new water quality management areas, all parties will be brought together. All interests will be consulted. Provincial government departments will be involved and so will federal departments. Provincial water resources people and Federal fisheries people will sit down together. They will work out their differences in an organized way and the end result will be a better over-all scheme of development for all concerned.

• (3:20 p.m.)

Various techniques have been developed for dealing with these multi-faceted situations. One is benefit-cost analysis. Benefit-cost analysis was first developed in the planning of whole river basins. There, power dams and irrigation, navigation and flood control, fisheries and recreation, forestry and aesthetics all had to be reconciled. Also some of them could be reduced to dollar terms and others could only be referred to as "intangibles". The technique is still imperfect. But we know that the "intangibles", like recreation and aesthetics, are being given much more credence than in the past. Sports fishing and tourism have been moving up the scale. They have been given higher priority with the passage of time. They have been weighing more heavily in the balance of things. So it is with our fisheries.

It is for these reasons as well that I favour the establishment of water quality management areas in various parts of the country. Ottawa and the provinces will be brought closer together. We will also tend to avoid head on confrontations between single and individual federal departments administering federal laws in the same waters. It will provide a forum for resolving these differences. It will also give our own fisheries people, and our forestry people, a greater say in the over-all scheme of things. Using the Canada Water Act in this way, we can make sure their voices are heard. They were not always heard in the past—far from it. Often the opinions of our fisheries biologists were ignored to the detriment of our fishery in particular, and our aquatic environment in general. Often the voices of our fishermen were ignored as well.

I might go even further. I might insist that our fisheries scientists and our development engineers must continue to be the pace setters. They must be the pace setters in so far as the protection of the living resources in our aquatic environment is concerned. They must insist on the highest possible standards of water purity. They must insist that the same high standards are put into effect locally, and regionally, in the new water quality management areas which result from Canada Water Act agreements between Ottawa and the provinces. We, in this department, clearly have a vested interest in the success of the Canada Water Act. We want it to work because it can also help us to do our job in Fisheries and Forestry more effectively.

I have been talking as if regulations made under the Canada Water Act will apply immediately and in all areas of Canada. This will not be the case. The setting up of basin wide plans covering major rivers and streams will take time. Large sums of money will also have to be voted as well. In the interim, at

the very least, we will therefore have to use the Fisheries Act as we have done in the past. We will have to use it pending the signing of ironclad agreements between the provinces and Ottawa, agreements which will cover all facets of water development and protect our fisheries as well.

There will of course always be rivers and seas in which fishing is the dominant activity. There will also be single industry situations along our coasts and in outlying parts of this country. In those circumstances the Fisheries Act, alone, may be sufficient to do the job. It is here, also, that we expect our people will have a dominant voice in making sure that our aquatic environment is maintained in a healthy state. Perhaps in the fullness of time, the Canada Water Act may apply in these areas as well. But, for the time being, we will have to use the Fisheries Act by itself, to police pollution as best we can. Policing may not be the right word. Co-operative action is preferable. We want to work with industry, not against it. We want to co-operate with companies building new plants and installing new processes. We know that these new firms can benefit from our expertise and we are sure that our fishery will be much healthier if we have their co-operation from the outset.

Our departmental experience on both coasts has been gratifying. Most companies intending to build new pulp mills or chemical plants are now coming to our fisheries experts and asking for advice. They ask what our standards are and how these can best be met. They ask about new treatment facilities and how they have worked out in other locations in Canada.

We have scored some notable successes. Our new pulp mills on the greatest salmon stream on earth, the Fraser River in B.C., are among the cleanest in the world. Several chemical plants built in eastern Canada are also world leaders in this respect. Our insistence on high standards has also paid off in other ways. Several consulting firms, specializing in pollution engineering have now begun to sell their expertise in other countries. I am thinking of the Sandwell and Simons companies in Vancouver. They are now looked to by the Scandinavians and the Russians as having broken new ground by marrying pollution control and economy and by making a number of chemical process industries more compatible with our environment.

Co-operation with industry in this country, in other words, has turned what might otherwise have been a local disadvantage into an international advantage. We have been able to protect our fish and develop new export industries as well. We have insisted on high standards and they have been achieved at minimum cost. Sometimes by-products have been produced, sometimes not. But our rivers are cleaner and our seas are healthier. We have taken the intelligent approach to pollution abatement and we have scored a number of successes without costing the federal treasury large sums of money in the process.

While I can report considerable progress in some instances I must, regretfully, admit continuing failures in others. Some industries have been more co-operative than others. Some provinces have also been more energetic than others in the battle against pollution. It is because of this uneven pattern of development, this permissive approach to industrial development and regional expansion that we feel we must formalize our arrangements. By formalizing, I mean making it necessary for industries which generally give us trouble on the pollution front to file plans for their construction of new facilities and the introduction of new processes.

I might also say another reason for proceeding is to avoid the unhappy development of what I might loosely refer to as pollution havens in one part of the country because legislation is not uniform from coast to coast. I am sure changing our Fisheries Act will help to eliminate these so-called havens.

Hon. members will please note that we propose to change section 33 of the Fisheries Act thereby giving this department the power to:

(1) ask any firm about its plans for expansion;

(2) be informed about the anti-pollution measures to be taken in each case; and

(3) approve, or disapprove, of these plans and with the backing of the Governor in Council, in other words the cabinet, to require any modifications necessary to protect the fisheries waters of Canada.

Sometimes, we in the Department of Fisheries and Forestry will have to take the initiative. We will have to contact the firm in question. Once contacted it will be obliged, by law, to co-operate with our departmental officials in reviewing its plans for pollution control. I have no doubt that all, or nearly all, of these industries will work closely with us. I have no doubt that they will co-operate. They have been co-operative in the past. However, there may be exceptions. There may be exceptions, not only as a result of an honest

difference of opinion, but also as a result of attempts to avoid cost which the company thinks it might be able to fob off on to the public in general.

Under these exceptional circumstances we in the department will have to take our responsibilities. We have to take up our responsibilities under the Fisheries Act and intervene in the public interest. We may have to intervene to the extent of holding up construction until the facilities are adequate from a pollution control point of view. We may also have to insist on the use of new processes for treating effluent which the company had not envisaged in the first place.

This is strong medicine. It is a drastic step to take. Before the Minister of Fisheries can actually hold up the plans of a company he will have to get full cabinet backing. He will have to get an Order in Council passed by the government. Of course, this is likely to be forthcoming in the kinds of cases which I have in mind. However, the firm in question has this further protection. All ministers, and not simply the Minister of Fisheries and Forestry, will have to be convinced that the company is falling down in its duty to look after our waters in the proper way.

• (3:30 p.m.)

To put it another way, Mr. Speaker, the Minister of Fisheries and Forestry may, with the approval of the Governor in Council, require the company in question to make such changes to its plant and/or its processes as are necessary to treat its effluent properly. This power continues over time. It continues in the sense that we will not give a full and final approval in each and every case. Instead, we will reserve the right to make further changes in our specifications. These changes might, for example, become imperative as a result of increased production on the part of the firm, changes in stream flow or, hopefully, a marked improvement in the technology of pollution abatement itself.

Unfortunately, pollution is with us now on a large scale. We can all recall several recent examples. I hope we do not experience a repetition of the so-called "red herring" incident in Newfoundland. I hope we do not run into another mercury problem on the prairies or in Lake St. Clair in Ontario. But if we do, we will have to move, and move quickly. We will have to move in and buy fish, for example, in order to support our fishermen during the period in which the contamination persists.

This action will be taken on behalf of the Crown. It will be taken on behalf of the Crown to remedy the condition or reduce or mitigate damage or destruction to life or property. A further amendment in this bill gives the government this power. It gives the power to recover its costs incurred in looking after the interim arrangements. These costs, of course, will be recoverable from those who are responsible for pollution in the first place.

I could go on, Mr. Speaker, I could detail other changes in the Fisheries Act. I could, for instance, refer to the 12-mile limit for trawlers. Newfoundland, when it came into confederation in 1949, retained its old 3-mile limit. This will now be changed, at Newfoundland's request, and the 12-mile restriction which already applies to trawlers in Atlantic waters will be extended to Newfoundland as well.

There is more. But suffice it to say that the main thrust of this bill is against pollution. It is part of our over-all effort to deal with this modern menace. We will soon have a tougher Fisheries Act—a better Fisheries Act. We will soon have a new Canada Water Act and a new Northern Inland Waters Act. We will have a better Canada Shipping Act. This is an impressive list. It is good legislation and it is sound legislation. We need these laws, these improved laws, these federal laws, to deal with pollution in an effective manner. We need them to keep our rivers fresh and our salt water clean. We need this legislation to make our aquatic environment in Canada fit for fish to live in.

This bill, Mr. Speaker, is a short one. But it is an important bill. I urge hon. members to support it. Improve it if you will, but support it. Unlike the United States, where the power over the fisheries resources is fragmented as between individual states, fragmented because it rests with the individual states, we have a unique opportunity here in Canada; we can pass national legislation dealing with our aquatic environment. I, therefore, ask you as Members of Parliament, acting in the national interest of Canada, to approve this bill and amend our Fisheries Act in these various ways.

Mr. Crouse: Mr. Speaker, Bill C-204, an Act to amend the Fisheries Act, reminds me of a well-known soap product—it does everything. It is all-encompassing. I have read the bill carefully and it is something of a catch-all, with part of the bill being introduced as the result of faulty drafting of previous bills. I

make this statement on the basis of the wording of clause 9 on page 11 which states that a clause of the bill cannot take effect until the Canada Water Act has received Royal Assent.

The members of the Official Opposition have examined this bill and it is not our intention to oppose it. But there are some clauses with which we are concerned. I listened carefully to the minister, and I concur with much that he has said. The first part of the bill deals strictly with pollution control and no one could, therefore, reasonably quarrel with its intent.

In recent weeks there has been mounting evidence concerning the dreadful pollution of Canadian waters and the threat this pollution presents to our environment. Mercury poisoning has been reported in lakes in Ontario, Saskatchewan and Manitoba and it would be no surprise to find that all rivers and lakes adjacent to certain chemical plants are similarly polluted. Certainly, the situation which we know exists in Lake St. Clair and the St. Clair River now, where commercial and sports fishing have been banned for an indefinite period—since analysis of Lake St. Clair pickerel showed concentrations of mercury far beyond those considered safe for human consumption—cannot be ignored.

The first alarm about the dangers of mercury poisoning was raised in Japan where, in 1953, some 41 people died of nervous disorders which were ultimately traced to mercury poisoning. It was noted that their diet included large quantities of shellfish caught in a bay contaminated by effluent from a plastics plant. In Canada, attention has only recently be drawn to the danger of mercury as a pollutant although, obviously, mercury has been in use for along time. Besides being used in thermometers, mercury is principally used in chlor-alkali plants as an electrolytic catalyst in the manufacture of chlorine and caustic soda. It also plays a major role in the plastics industry, as well as in the pulp and paper industry, and in the making of fungicides. It gets into our rivers and lakes as part of the effluent from industrial plants and, to a lesser degree, from the agricultural run-off.

Since many of our industries have been using mercury for long periods of time, it is now obvious that the management of these plants have been aware of the polluting effect of their operations. But they have not taken any steps to correct the situation. Now, demands not only local but national and international in scope are being made for greater efforts to clean up our polluted waters. If the response is to be effective, much more research will be required by industry as well as by our federal and provincial authorities and, on the Great Lakes, by our American friends who also have a vital concern over improving the quality of water in the area.

[Mr. Crouse.]

All of us have recently been made aware of this government's attitude toward international conferences. But if we are to bring about effective control of the pollution in the Great Lakes, I believe the federal government should immediately request a conference between the provincial authorities concerned and the governors of the eight states bordering the lakes. This conference should take place either in Washingtotn or in Ottawa so that a co-operative effort may be made between Canada and the United States—a joint effort between our two nations—to get this problem under control. It makes little sense for Canada to try to control pollution of the Great Lakes unless our neighbours to the south are implementing similar procedures to deal with pollution by their own industries and the large cities situated on the United States side of the border adjacent to the Lakes.

As I said before, we are in agreement with the intent of this bill. Unfortunately, there are too many loopholes left open in this legislation. This becomes evident if one looks at the exemption clauses. These exemptions are clearly areas in which the government can exercise control, and there is scarcely any need to direct attention to the abuse which this arrangement makes possible. On the very first page of the bill we read in clause 3(1) that Section 33 (2) of the Fisheries Act is repealed and the following substituted:

• (3:40 p.m.)

(2) Subject to subsection (4), no person shall deposit or permit the deposit of waste of any type in any water frequented by fish or in any places under any conditions where such waste or any other waste that results from the deposit of such waste may enter any such water.

Certainly this is desirable, but what are the words of the section in the Fisheries Act that is being deleted? This subsection is printed in the bill and reads as follows:

(2) No person shall cause or knowingly permit to pass into, or put or knowingly permit to be put, lime, chemical substances or drugs, poisonous matter, dead or decaying fish, or remnants thereof, mill rubbish or sawdust or any other deleterious substance or thing, whether the same is of a like character to the substances named in this section

or not, in any water frequented by fish, or that flows into such water, nor on ice over either such waters.

Although this subjection is being deleted, the truth of the matter is that it has never been enforced. If it had been enforced, our lakes in Ontario, Saskatchewan and Manitoba, especiallyy Lake St. Clair and the St. Clair River, would not now be seriously polluted.

I raise this point since the words in the bill, though somewhat different from the subsection being deleted, imply the same thing. Obviously, regulations are useless unless they are enforced. I ask the minister whether this law will be on the books but not enforced, as was the previous regulation. I ask him, through you, Mr. Speaker, what steps he has taken to strengthen the inspection and the enforcement section of his department?

A moment ago I mentiond my concern over the exemption clauses of this bill and I read into the record the new prohibition on the deposit of waste. I believe my concern over these exemption clauses is valid since I read on page 2 of the bill that the prohibition clause on waste does not apply—and I emphasize this—in the case of any waters that form part of a water quality management area designated pursuant to the Canada Water Act. It does not apply where there is a water board established which has licensed the deposit of waste as authorized by regulations made by the Governor in Council. Neither does it apply in the case of any water or waters to which the Northern Inland Waters Act applies.

In other words, the Minister of Energy, Mines and Resources (Mr. Greene) can issue a licence to pollute under controlled conditions in all of Canada, with the exception of the Northwest Territories and the Yukon, and he can do this pursuant to the Canada Water Act. The Minister of Indian Affairs and Northern Development (Mr. Chrétien) can do the same thing in the Yukon and Northwest Territories pursuant to the Northern Inland Waters Act. By this fragmentation of authority, this placing of pollution control in Canada not under one, or under two, but under three federal ministers of the crown, I submit that the government has not only confused industry and the Canadian people but has also made enforcement of our pollution control measures next to impossible.

In addition, we have existing provisions in the Canada Shipping Act for pollution control, and the transport minister has indicated in this House that he plans to strengthen them. As a Canadian, I cannot help but wonder why the government follows this course in such a serious matter, one which is of vital importance to our future well being. I submit that this fragmentation of authority on this important matter is brought about by the unrest within the present federal cabinet and it indicates the jockeying over on that side of the House within the cabinet for political authority. We have four captains on the bridge, four captains who are trying to run the ship. I should like to ask which direction they will take.

This government is obviously willing to sacrifice adequate pollution control methods for the nation in order to appease the vanity of the three of four cabinet ministers who believe that they, and they alone, should have the final say on pollution control since it is the new "in-thing" in Canada. Everybody is talking pollution, so say these ministers, and therefore they believe that their departments should have final responsibility for pollution control. It is almost as though these ministers have said: Never mind about the interests of the Canadian public; let us use pollution control to enhance our own political image in the newspapers, on radio and on television.

Just what has been done? We have these other acts set up, namely the Canada Water Act and the Northern Inland Waters Act, and in my view they are nothing more than window dressing which will hamper and delay the implementation of real pollution controls in Canada. I do not believe that the Canada Water Act will work. I believe it is a fraud perpetrated on the Canadian people. It is a mirage. It is something that you see, something that indicates that the government plans to do something, but when the Canadian people reach out to use the Canada Water Act it fades, as do all mirages.

The act cannot work because its provisions have been fragmented; the authority it gives has been divided between the federal and provincial governments. Even the name "water authorities" is misleading since these bodies will not really be authorities with federal funds provided to assist in establishing pollution controls among municipalities. In fact, we now know from the terms of the bill presently before us that these water authorities will be a hindrance rather than a help since they are empowered to issue licences to pollute, which in effect makes pollution control under the Fisheries Act impossible.

I would also question the penalties for depositing or permitting the deposit of wastes in water. In the event, with all this fragmentation of authority, that a charge could be laid, I note that the bill calls for punishment in the form of a fine not exceeding $5,000 for each offence. This could be taken to mean that one day's discharge of waste into a Canadian lake or river could kill all life in that water and that the penalty for the offence would be only $5,000. This penalty is too limited for a large company. After all, is the price of a Canadian lake or river only $5,000?

Mr. Lundrigan: Like Long Harbour.

Mr. Crouse: Yes, as my hon. friend says, like Long Harbour. There was an instance of pollution which has destroyed the ecology of the area. Although efforts have been made to restore the fisheries, those of us who are familiar with the fisheries and have had a long time association with the fisheries know that it will be many years before we have fully recovered from the effects of the pollution of Long Harbour, Newfoundland.

We must be realistic about pollution. Let us be realistic about its effects on our environment. I ask the members of this House to think about the problem. Let us ask ourselves: Who are the main polluters in this nation? The answer, of course, Mr. Speaker, is you and I collectively, under a term called the "municipality". Our municipalities, with their sewage and garbage disposal problems, have been the greatest polluters of our rivers, lakes and streams. Especially is this so when cities and towns are located quite close to any given body of water. How do you propose to force the municipalities to act under this legislation. And if they do not act because of a shortage of funds, who are you going to fine—the mayor, the town clerk, the chief of police or the garbage collector? I suppose it would be the latter, since he is more closely associated with pollution!

• (3:50 p.m.)

But, Mr. Speaker, this is a serious matter, since all municipalities located on water bodies are constantly pouring phosphates into the waters. We are now saying, under a troika of authority, that the polluter must pay. Since the government has intentionally divided our pollution control authority, I believe that the enforcement of the clauses of this bill will be extremely difficult. The answer, of course, lies in a common sense approach to this problem. There is one minister on that side of the House, the Minister of Fisheries, who has a solution for the control of our pollution difficulties, but unfortunately he apparently lacks the required support of his colleagues on this important matter.

I say that the Minister of Fisheries has a solution to our pollution control problems because he expressed certain views in his speech entitled "Pollution and the Fisheries Act" as delivered before the Rotary Club of Hamilton on Thursday, May 22, 1969. In that speech, which indicates considerable research, the minister pointed out the manner in which the federal Fisheries Act could be used to bring pollution under control. He was talking, of course, entirely about pollution in water where fish react to poisonous substances. To use his words, they go belly up before human beings take sick, so strict laws protecting our fisheries should be our first line of defence against pollution and our first line of defence of human health and welfare as well. I endorse the minister's remarks because salmon will refuse to swim in water before we humans refuse to drink it. When we see fish dying in rivers and lakes, the waters of which are being utilized as sources of supplies for cities or towns, it would be wise for the authorities to examine the quality of that water to determine what has happened to it.

After describing our water problem, and after pointing out that it is quality and not quantity which we require for our well being, the minister stated, and I quote now directly from his speech:

> We in Canada are fortunate. We are fortunate in that we have a clear cut avenue for federal participation in the battle against pollution. We are fortunate in that we have an effective tool in the Fisheries Act. The Fisheries Act, as it happens, is nearly as old as Confederation itself.

He repeated some of those words today in his speech. He went on to state:

> It pre-dates most provinces—and it certainly pre-dates provincial legislation with respect to water quality and pollution control.
>
> Most provincial legislation has been framed with our federal Fisheries Act in mind. Our provincial acts, in other words, surround the federal Fisheries Act, embroidering it so to speak. But provincial laws and provincial regulations must take second place to the Fisheries Act in any case—for fisheries are federal under our constitution.

The minister continued by stating that we are fortunate as compared to the United States, where fishery matters come under the individual states. This makes it more difficult for Washington to co-ordinate activities since their authority is limited to international treaties and the like. He pointed out that in

this country, Ottawa has full authority over our sea coast and inland fisheries. Under the British North America Act, Ottawa makes our fishery laws and it approves our fishery regulations. True, Ottawa has delegated some of its authority to the provinces at times, but if these provinces want to make a change in any of their regulations they must first submit it to the federal government for approval.

Having said this, the Minister of Fisheries then got down to the nitty-gritty of our problem when he said, and again I am quoting:

> We must deal with pollution before pollution occurs. We must get into the act before new plants are built; when they are in the design stage so to speak. We must insist on the best manufacturing techniques and the best devices for eliminating poisons and making sure that eutroplication is a thing of the past. Our federal Fisheries Act, in other words must be updated. It must include a few clauses which are essentially anticipatory in nature. It must not only say what kind of chemicals can and which cannot be discharged into Canadian waters but see to it that our municipalities and our industries are aware of these guidelines ahead of time.

The minister continued as follows:

> With a new and amended Fisheries Act, we will no longer have to wait until the damage is done to our environment. We will no longer have to discipline maverick companies which themselves have failed to look ahead and to plan for the future. We will no longer have to plead with municipalities to do the right thing for themselves and their citizens.

The minister said he liked this approach, and quite frankly so do I because it is simple and relatively straightforward. In his words, and I am now quoting him:

> We already have a fisheries department and we already have a fisheries staff in the provinces. So, we can use our existing establishment to do a job on pollution—to do it quickly and to do it well.

In summing up, the Minister of Fisheries said:

> In the Fisheries Act we have a one hundred year old piece of federal legislation which with a few simple improvements can be used to reduce pollution in all the waters of Canada. In our Department of Fisheries in Ottawa and out in our regional offices we already have all of the officers we need in order to police pollution in this country.

These statements made by the Minister of Fisheries are not broad generalities; they are blunt, they are definite and they are to the point. According to the Minister of Fisheries, the Fisheries Act, which we are presently amending, is all that is required to reduce, control and police pollution in all the waters of Canada. This is a viewpoint with which I agree so I cannot help but ask, in view of these facts why was the authority to control pollution in Canada intentionally fragmented by this government? Why did this government intentionally go out of its way to set up an expensive bureaucracy for the control of water pollution, when the Fisheries department has all the officers required to police pollution? Why all these new and obviously unnecessary expenditures while the government implies it is practicing thrift and cutting down on expenses? This is nothing but doubletalk. Only last Friday in this House of Commons the Prime Minister (Mr. Trudeau) asked the opposition for suggestions on how to cut down government expenditures. As you will recall, he received some suggestions immediately from the opposition. It was suggested that he cut down his personal staff, and it was suggested that he cut out Information Canada.

It is now obvious from the statements made by the Minister of Fisheries that we do not need the Canada Water Act, and its expensive bureaucratic water authority, or the Northern Inland Waters Act. The immediate withdrawal of these measures would not reduce by one iota our fight against pollution in this country. It would save some of the hard-earned dollars of the tax payers. I hope the government will give this suggestion some thought. I hope the government will give the Minister of Fisheries more power under this Fisheries Act so that our industries and our municipalities will know where they stand on this serious problem of pollution. We need guidelines under one department which are well understood and well administered. We need guidelines which are enforceable, and which are enforced from one end of Canada to the other, if we are to surmount this new difficulty which is troubling Canadians and all mankind. In my view the federal Minister of Fisheries should have complete responsibility for the enforcement of pollution control in Canada, using as a vehicle the federal Fisheries Act.

There are other provisions in the Fisheries Act amendments which relate to the conservation of marine plants. With the development of the science of marine biology, these plants are becoming more and more valuable commercially, and they provide an additional source of livelihood for many Canadians. I believe the changes proposed represent good conservation practice, and we are fully in agreement with these measures.

Finally, the bill deals with fishing operations on the east coast, and it corrects an anomaly which has existed off the coast of Newfoundland ever since that province threw in its lot with the rest of Canada. Here, I refer to the fact that deep sea trawlers operating off the coast of Atlantic Canada, other than Newfoundland, were required to refrain from fishing operations umil they were 12 miles from our shores, while deep sea Newfoundland trawlers could start trawler operations three miles from the coast. In other words, all our east coast fishermen are equal but some are more equal than others.

• (4:00 p.m.)

Under the changes proposed, which I agree bring uniformity to our regulations, all our deep sea fishermen in Atlantic Canada will now be treated alike. I only hope that day will not be too far distant when the 12-mile limit will apply not only to Canadians, who practice it as a conservation measure, but to the eight other countries, namely Spain, Portugal, France, Italy, Norway, Denmark, the United Kingdom and the United States, who historically and traditionally have fished within three miles of our coastline and whose operations, as of today, have not been phased out by the government. All our new regulations, and all our talk about conservation of our fisheries resources, become meaningless unless other nations such as those I have mentioned are willing to co-operate and practice conservation policies similar to those imposed upon our own nationals.

Mr. Barnett: Mr. Speaker, as the minister said when he moved second reading of this bill, it does propose some very extensive changes to our Fisheries Act. I would think it is probably the most extensive revision of the act which has taken place since 1932 and, perhaps in some ways, the bill proposes the most important change in some of its basic principles since the act was introduced in the first Parliament of Canada, as the minister said. Many of the changes, of course, just repeal some of the archaic sections of the act. So far as I have been able to study the bill, I have no quarrel with what is being done in this regard. There are certain other changes, such as those mentioned by the hon. member for South Shore (Mr. Crouse), in respect of the application of the Fisheries Act on the Atlantic coast which, so far as I am concerned, are logical changes at this time.

I believe, however, there are two really important changes proposed in this bill, and I intend to confine my discussion at the second reading stage to these two particular aspects. The first, and perhaps least important of the two, has to do with the introduction into the Fisheries Act of specific sections in respect of jurisdiction over marine plants. These are now to be under the purview of the act and the department. Although as I believe the minister pointed out, and I well recognize, to some extent marine plants have been controlled and regulations have been applied by the department. I believe this is certainly a very interesting clause of the bill and one which indicates a recognition of the potential importance of marine plants in the industrial and commercial life of Canada. For this reason, I welcome the proposed sections which will enable proper regulation and control over the volume and method of harvesting of marine plants.

Undoubtedly, without some form of careful management some of these marine plant resources which potentially are of economic benefit to our fishermen would be depleted, and in fact mined instead of harvested. This has happened from time to time in respect of some particular species of our fish. I know that in the area of the Pacific coast with which I am familiar, there is at the present time an effort being made to promote the commercial harvesting of kelp. This is a very interesting form of plant life. I had the opportunity of discussing this particular venture with the people who are endeavouring to pioneer it. Although I do not think it will ever develop into one of British Columbia's major industries, I believe this is a very significant development and my interest is heightened by the fact that the act is being amended in this regard.

I wish to commend the minister for bringing in these proposals in respect of placing marine plants under the jurisdiction of the act. I readily understand this can be important in respect of another aspect. I commend the minister for introducing control over the algae and other marine plants, even though they may not be harvested commercially, because this is important in relation to the ecology of the waters of Canada, both inland and on our coasts.

The other major clauses of the bill to which the minister referred most extensively, as indeed did the hon. member for South Shore, have to do with the changes proposed in respect of the control of pollution. The pres-

ent section 33 of the act which governs pollution of the waters is very extensively revised under the minister's proposal. I should like to say I welcome certain aspects of the approach the minister has taken, as indicated by the provisions of this bill.

I welcome the fact that the approach being proposed, particularly with regard to the additions to section 33, is one of positive control rather than of negative control. In other words, as the minister has suggested a number of times, the Fisheries Act should not be a weapon to be used against people but should be a mode through which the authority of the department can work positively with industry to ensure that our waters are protected. To that extent, I feel the proposals are a step in the right direction. I feel that these particular additions to section 33 can be welcomed by all members of the House and fully supported.

However, when we consider the proposed changes to the present section 33, I feel we move into an area in which we may find we do not see eye to eye entirely with the minister's proposals. The minister quoted section 33, and I should like to quote it again. I refer to the part having to do with protection of our waters from pollution. It reads:

> No person shall cause or knowingly permit to pass into, or put or knowingly permit to be put, lime, chemical substances or drugs, poisonous matter, dead or decaying fish, or remnants thereof, mill rubbish or sawdust or any other deleterious substance or thing, whether the same is of a like character to the substances named in this section or not, in any water frequented by fish, or that flows into such water, nor on ice over either such waters.

Well, in view of some of the statements the minister has been making across the country, I expected there would be some rephrasing of the rather archaic wording in that particular section of the current Fisheries Act. The proposal which he has brought forward, while it may be couched in more modern words, is a move to weaken the authority and power of the Fisheries Act rather than, as the minister attempted to suggest to us in his introductory speech, a move to strengthen the act.

• (4:10 p.m.)

Perhaps, as the minister suggests, the wording may clarify the act, but I submit that as matters stand before us at the moment in this Parliament what the minister is proposing to us will weaken the jurisdiction of the Fisheries Act, and the power of the minister to take effective measures to prevent the growth of the pollution of the waters of Canada. I would like to outline my reasons for having this feeling after having made this analysis of the minister's bill. In order to do so, I should compare the present section with the proposal in the bill. I am going to quote only part of it at the moment, but I think it is the parallel part;

> —no person shall deposit or permit the deposit of waste of any type in any water frequented by fish or in any place under any conditions where such waste or any other waste that results from the deposit of such waste may enter any such water.

Then, Mr. Speaker, further on in that same clause is a proposed definition of the word "waste":

> "waste" means (i) any substance that, if added to any waters, would degrade or alter or form part of a process of degradation of alteration of the quality of those waters to an extent that is detrimental to their use by man or by any animal, fish or plant that is useful to man, and
>
> (ii) any water that contains a substance in such a quantity or concentration, or that has been so treated, processed or changed, by heat or other means, from a natural state that it would, if added to any waters, degrade or alter or form part of a process of degradation or alteration of the quality of those waters to an extent that is detrimental to their use by man or by any animal, fish or plant that is useful to man—

If one compares those two wordings, one cannot but agree that the wording proposed in the bill is much more modern, is clearer, and is broader in its context. Certainly, in the light of the kind of industrial society in which we live, this bill contains a much more adequate definition of waste and provisions for the control of its disposal than section 33(2) of the present Fisheries Act. But, Mr. Speaker, it seems to me that there is a joker in here, and this is the point that concerns me. When one looks at it, the whole value of the definition as it is set forth is contingent upon what is done in another act, or, I should say, what is now contained in another bill that is before this Parliament. I say this because all of what is in the proposed bill in respect of the Fisheries Act, in the definition of waste and in the powers of the minister to control waste that may be harmful to fish going into waters, is subject to the Canada Water Act.

The initial prohibition of persons putting or depositing waste fo any type into water is subject to subsection (4) of the bill, which in turn makes it clear that it is subject to the provisions of the Canada Water Act and to the conditions:

> —authorized by regulations made by the Governor in Council under paragraph (a) of subsection (2) of section 16 of that Act—

When one considers the question of waste as it is defined in the clause of the bill, after the part which I read defining waste, the following words appear:

—without limiting the generality of the foregoing, includes anything that, for the purposes of the Canada Water Act, is deemed to be waste;—

So, Mr. Speaker, I suggest that if we are to understand the meaning and the purport of the bill that the Minister of Fisheries is presenting we must inevitably have a look at what is said in clause 16 of the Canada water bill. Clause 16(1) of that bill reads:

(1) The Governor in Council may make regulations (a) prescribing

(i) substances and classes of substances,

(ii) quantities or concentrations of substances and classes of substances in water, and

(iii) treatments, processes and changes of water for the purpose of subsection (2) of section 2—

This all sounds very complicated until one refers to clause 2 of the Canada water bill. So, Mr. Speaker, we find ourselves in a bit of a maze. I think it should be pointed out that we now have before this Parliament four bills, if my count is correct, in which the precise wording of the definition of "waste" appears.

We have before this Parliament Bill C-144, the Canada Water Act bill, Bill C-187 the Northern Inland Waters Act bill, Bill C-202 the Arctic Waters Pollution Prevention Act bill, and this bill, C-204, to amend the Fisheries Act. But all of these bills, all of what they mean or what they do not mean, depends upon the acts that may or may not be taken in the future by the Governor in Council under clause 16 of the Canada Water Act bill.

In other words, until we know what the government has in mind in the shape of regulations prescribing substances and classes of substances, and quantities and concentrations, and treatments and processes, we in this House have no way of knowing whether or not we are being asked to throw down the drain the whole impact of the Fisheries Act so far as protection of the quality of our waters, for the well being of our fish, is concerned.

The minister may say, "Tut, tut; you know this government isn't that bad." But, Mr. Speaker, I suggest it is not fair to ask the House to buy a pig in a poke. Some of us who have had some association with the administration of the Department of Fisheries for a period of years have some respect for the approach taken by the conservation and development branch of the department, with the backing of the Fisheries Research Board of Canada. I think it is fair to say that over the years they have been really the only cohesive body in Canada which has been concerned with the quality of Canadian water from coast to coast and off the coasts of Canada.

In his speech, the minister paid considerable tribute to the department which he heads at the present time. I certainly concur with many of his sentiments in that respect. In fact, in some respects I would be prepared to go further than the minister did, because I think, under unfortunate circumstances, the department which the minister currently heads has been doing a magnificent job in trying to protect, develop and conserve the fisheries resources of Canada and, because of that, has been attempting to conserve the quality of the waters of Canada. It has been an uphill fight and they have lost a good many battles, Mr. Speaker, largely through the indifference and neglect of succeeding governments and, I suppose, of succeeding Parliaments of Canada, and in the last analysis, because of the indifference and neglect of most of the Canadian people over a long period of years.

• (4:20 p.m.)

However, there is evidence of greater interest now in the quality of our waters than there has ever been in any previous Parliament, as exemplified by the number of bills before us dealing with the subject. But are we just going through the motions, Mr. Speaker; are we just engaged in a song and dance about the desirability of preserving our waters? This is a question in the minds of many members of the House and many Canadian people. I ask members not to discard the existing power that resides in the Fisheries Act until there is something better to replace it. So far, there has been no tangible evidence of this. Various bills propose to set up elaborate and complex administrative machinery. Most of us will agree that some of it is necessary and this view was expressed in this House in respect of the bill to deal with the pollution of Arctic waters. One of the ideas expressed in the Canada water bill, namely the management of watersheds on a countrywide basis, is a sound idea.

In all of these bills, Mr. Speaker, Parliament is being asked to move forward blindly without the assurance that they really mean anything when it comes to controlling or preventing the pollution of our waters. I, for one, am not prepared to agree to the passage of

this bill until I have had some enlightenment on what I consider to be the crux of the matter. Some people believe we have too many bills already but I think we need another bill, which would take precedence over any of these now before us, having to do with the question of water quality, a bill which would enable us to know exactly what we are being asked to pass in this bill. I have a picture in my mind of an act to provide for the establishment of a pollution standards code which would authorize the Governor in Council to enact regulations proscribing classes of substances, and processes, and changes of water. This would be the control bill, as it were, which would give meaning to all these other bills, in particular the proposed amendments to the Fisheries Act.

In this way, we could intelligently discuss and assess the change to section 33 of the Fisheries Act, which the minister has brought before us. We could then also agree with the other clauses of the bill which give him the authority to regulate in advance the submission of plans, and to require alteration of plans etc. In any event, the design of new industrial plants should be analyzed by technically qualified officials of the fisheries research board, not by some other department, as this would reduce the authority of the minister to protect, develop and conserve the fisheries of Canada. We must take care that the proposed amendments are not allowed to downgrade the powers of the Fisheries Act.

The idea of a pollution standards code is not new, Mr. Speaker. In November, 1966, I made a speech in this House reporting on the conference on pollution and our environment held in Montreal earlier that year. At that time, I summarized and quoted from some of the guidelines produced by the conference touching upon three fields, air pollution, water pollution and soil pollution. The guideline suggested for air pollution was that a single federal agency or organization be established to set up a national pollution abatement code and the details of how this might operate were given.

Under the heading of water pollution, the guideline was that a single federal organization or agency should be established to develop a national pollution abatement code. The guideline on soil pollution recommended that a single inter-disciplinary national agency on environmental contamination be established with broad responsibility in the general areas of, among other things, developing national standards.

I felt that these guidelines were most encouraging, Mr. Speaker, and I summarized the situation in my speech reported at page 10021 of *Hansard* for November 17, 1966, as follows:

> —there was general agreement which certainly confirmed the view I have held for quite some time, that the only way in which this whole problem can be really attacked in a proper manner is if we in this Parliament, through the federal government, exercise real leadership and guidance. Only when we can develop a national code and national standards based upon active and continuing research, so that the standards can be continually upgraded as new science and technology are developed, can we make continuing progress in this field.

• (4:30 p.m.)

Apparently the government has rejected that approach, Mr. Speaker, and now this House is being asked to diminish the authority which currently exists in the Fisheries Act of Canada. I sometimes look at sections 91 and 92 of the British North America Act which have to do with the distribution of legislative powers between Parliament and the legislative assemblies of the provinces, and it seems to me, without attempting to pose in any way as a constitutional authority, that when we start talking today about pollution and the control of pollution of our air, water and soil, we are really dealing with an area covered by the preamble to section 91, which reads:

> It shall be lawful for the Queen, by and with the Advice and Consent of the Senate and House of Commons to make Laws for the Peace, Order, and good Government of Canada, in relation to all Matters not coming within the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces;—

I think we recognize, and many thoughtful and knowledgeable scientists have been suggesting this to us, that we are engaged in a process of total war against pollution. The question of our managing our environment in such a way as to protect its quality for living creatures on land, in the sea, and I suppose in this day and age one can include creatures in the air, has reached the proportions of total war. It has reached the stage of being important in considerations relating to peace, order and good government, and is as important as the question of whether or not we can prevent a thermo-nuclear holocaust from breaking out. Although some of the statements attributed today to scientists may make us feel that they are being alarmists, nevertheless we in this parliament would be foolish to ignore the kinds of warnings we are being given from time to time. It is in this context,

and with this sense of urgency, that I feel the federal government ought to be approaching the question before us now.

I feel that this assertion of the concern of this Parliament could best be expressed not by the piecemeal bits of legislation introduced to control this or that aspect of pollution, but by a general act which would spell out the principles relating to the preservation of our environment which this Parliament feels should be adopted. This general act would give authority to the Governor in Council to set out quality standards as they would apply to any form of development across the country. If we had such an act we could assess, on the basis of its criteria, whether a particular idea for managing all water resources in a certain region of the country was desirable or not. We could assess, if we knew what those regulations were, whether it would be desirable to bring the operation of various acts under particular definitions that would be set out in those regulations.

I quoted from my own speech and may I now briefly refer to one which was made by someone else. I am referring to a release from the Department of Fisheries and Forestry of Canada under the date of January 15, 1970. The first page has a synopsis of the minister's speech at the North Vancouver Chamber of Commerce monthly luncheon of January 5, 1970. The first item of the synopsis indicates that the minister believes a national water quality code is essential. I must say that I agree with the minister. Then, the release tells one to see page 4 of the speech. I always become interested in the fine print when I see headings like that. On page 4, I read that the minister believes we need a national water quality code. He also says that we need regional guidelines drawn to meet regional needs. Well, Mr. Speaker, what we have before us are proposals to develop some regional guidelines to meet regional needs; but we are building a body, as it were, without any head. I agree with the minister when he says that we need a national water quality code.

Yet the minister who believes in the need for a national water quality code and who now has in his hands legislation, which although poorly drafted for present purposes nevertheless gives authority to put forward a national water quality code, is apparently voluntarily asking this House to approve his surrendering the authority to develop a national water quality code. This, to me, is a pretty basic flaw in the proposal the minister is putting before the House and I for one do not find myself inclined to accept. I hope that before we proceed too far with this bill we can get some indication, if not from the minister then at least from the government, as to whether and when it is intended to bring to a head, as it were, this question of establishing national standards, not only in the field of the control of the purity of our water but in the fields relating to the control of the purity of our air and soil. I think the minister will agree that all these things are interrelated directly and indirectly. He knows, for example, that in the design of a pulp and paper mill the two questions of water purity and air purity are very much interrelated. In some cases, of course, it is possible to improve the quality of water discharged from a plant by increasing the quantity of pollution that is going out in the air, and vice versa.

This is the assessment I make of what I think is undoubtedly the key proposal in this bill. I have tried to assess it on its merits as I see them. I think that in many respects, as I have said, it represents an improvement over the present act but it has what I fear, Mr. Speaker, could very well turn out to be a fatal error, one which would downgrade the effectiveness of the kind of work that has been done by our various fisheries scientists over the years. Far from increasing their influence in the councils of the nation, it might very well relegate them to a corner where their efforts would be even less effective than they have been up to the present time. These are the considerations which I submit should certainly be uppermost in the minds of hon. members of the House in discussing the merits of the bill. I hope, perhaps before the bill proceeds much further on its way, that we can obtain some agreement that some arguments I have advanced have validity. Then, either through this bill or some other way, the general approach being taken to the control of water pollution in Canada by the government may be changed and improved.

• (4:40 p.m.)

Mr. James A. McGrath (St. John's East): Mr. Speaker, having listened to the minister's speech, it now seems evident that we will have to wait until we get this bill before the Standing Committee on Fisheries and Forestry before we can have the amendments proposed in it explained in detail, indeed before we can have some of our fears hopefully put to rest.

My colleague, the hon. member for South Shore (Mr. Crouse), referred very eloquently and impressively to the proliferation of pollution legislation either now before Parliament or pending. This fact was also alluded to by the hon. member who just resumed his seat. I am convinced, Mr. Speaker, that the buck-passing has to stop somewhere. Someone must have the ultimate responsibility for the control of the pollution and cleaning up the waters of our country that have been polluted as a consequence of neglect.

Some hon. Members: Hear, hear!

Mr. McGrath: In addition to listening to the minister's speech today, I have read some of his speeches in recent weeks, particularly his speech on April 8 to the Executive Council of the Canadian Manufacturers Association. I have formed the impression that the minister is fighting a losing battle within the cabinet. I think the minister fully appreciates the fact that if he is to do the job of Minister of Fisheries, he must have the legislative authority to control water pollution in all aspects. This has been said before. My colleague, the hon. member for South Shore, said it today. I said it during the second reading stage of the Canada water bill. It has also been said by other hon. members. The Canada Water Act is not necessary. It is window dressing. It should be withdrawn. If we need further proof of that, we need only read some of the speeches of the Minister of Fisheries and Forestry (Mr. Davis) and, indeed the legislation now before us, the amendment to the Fisheries Act. The minister knows this, but I do not think he has been able to sell the idea to his colleagues.

In addition to the Canada Water Act, we have a still further proliferation of the laws of our country respecting pollution. The Northern Inland Waters Act is now before Parliament. There is proposed legislation dealing with pollution of the high seas which presumably flows from the Brussels Conference on Pollution of the High Seas which took place last year. In the final analysis, the ultimate responsibility must rest with the Minister of Fisheries.

It will be most unfortunate if there is a dilution of government authority because as a consequence of this dilution no minister, including the Minister of Fisheries, will be able to deal effectively with pollution. The government should recognize this and withdraw the Canada Water Act. The government should immediately enter into negotiations or discussions with the United States government aimed at entering into some agreement with that country. Without such an agreement with the United States, no matter what we do, we will not have the ultimate control necessary in this country to keep our own environment clean. That is a simple fact of life. It is a fact of geography.

At the present time there is legislation before the United States Congress, similar in many aspects to the legislation before this House, aimed at dealing with water pollution in that country. I doubt if our government is even aware of the debates that are taking place in that country. There should be a meeting of minds. In my opinion, there should be a continuing committee representing the responsible ministers of both cabinets which would have the responsibility of at least keeping each other informed of our various laws and regulations dealing with pollution. Such a joint cabinet committee could be the forerunner of what has to be the ultimate solution in the continental fight against pollution, a treaty between our two countries.

There are two aspects of pollution that the minister alluded to which are of great concern. I wish to deal with the threat to our fishing resources posed by oil pollution. Oil pollution manifests itself in a number of ways. There is continuous pollution caused by tankers dumping their ballast on the high seas beyond the reach and control of any government. How this is to be controlled is one of the great problems facing the world today, especially when we consider that over half the tonnage of the ocean cargoes of the world is composed of oil. Giant tankers are being added to the tanker fleets of the world every day. If an accident were to occur to one of these fully loaded giant tankers, it would represent nothing short of a world crisis.

The second aspect of the oil pollution problem is the possibility that any day there may be success in the explorations that are taking place and oil will be tapped on the continental shelf. The consequence of an accidental spill from one of these offshore wells could be disastrous. We must consider the resources of our Grand Banks. We saw what happened with the Santa Barbara spill off the coast of California and with the spill that occurred a short time ago off the coast of Louisiana. The time has come for us to make some hard and fast decisions. If I had the responsibility of choosing between the oil industry on our continental shelf or the fishing resources of the Grand Banks, I would opt for the latter.

• (4:50 p.m.)

Some hon. Members: Hear, hear.

Mr. McGrath: Many people in the world today are coming round to this way of thinking. The world is desperately in need of protein—the type of protein we have in abundance in our Atlantic and Pacific fisheries. There are strong suggestions that because of the necessity of cleaning up the air of our cities, leading to efforts to replace the internal combustion engine, the world demand for oil may decrease. But the population expansion ensures that world demand for protein will continue. So, we have some decisions to make.

I believe the government should adopt a policy now, before it is too late, of refusing to countenance drilling for oil on the continental shelf of this country such as would impose a threat to the fishing resources of the Grand Banks. I believe the time has come for us to make this decision. I believe the world will applaud such a decision.

This is one aspect of the legislation now before the House which gives me some encouragement. At least the minister will in future have legislative authority to take the steps I have indicated to prevent this kind of pollution from taking place, provided he can get his colleagues in the cabinet to agree. We know from experience that if drilling for oil proceeds on the continental shelf off the Atlantic coast there will be accidental spills, and if these spills occur, the only effective method found to date of clearing up the oil is by using straw. In other words, straw is used to soak up the oil after it has floated ashore on our beaches, after it has destroyed untold quantities of plankton and other minute forms of sea life on which our groundfish depend. We know enough about the consequences of oil pollution to be in a position to make this decision. The minister was very quick to reach a decision in connection with the Georgia Straits incident in British Columbia. He had our support when he did so. I do not think the government can any longer refrain from making the inevitable decision with respect to the continental shelf off Newfoundland and Nova Scotia. The great oil companies of the world have been pouring millions of dollars into prospecting for oil for the past several years; they know that eventually they will strike oil. A decision will have to be made.

In addition to the danger of oil spills which would result from drilling for oil on the continental shelf, another hazard faces us in the form of a huge 100,000 barrel refinery which is to be built in Placentia Bay in the little village of Come-By-Chance. This is the bay which suffered so greatly from the effects of the phosphorous pollution, a consequence of the government's inability to prevent such pollution occurring. Anyone who knew anything about the operation of a phosphorous reduction plant in such a location knew that pollution was bound to occur. The area affected is only now getting over this setback; we are only now beginning to restore the damage done to our image in the eyes of the world, especially in the markets of the United States.

I look forward to asking the minister, when we are in committee, what steps he proposes to take with the authority Parliament is giving to him under this measure to ensure that there will be no repetition of what took place at Long Harbour when this 100,000 barrel refinery goes into production. What will happen when the petro-chemical industry which is supposed to follow the building of the refinery begins its operations? Oil refineries and petro-chemical plants are among the most serious polluters of coastal waters.

I am not at all satisfied that the government has taken the necessary precautions in this case. The promoters of this industrial complex have been hard at it for a number of years and have made no secret of the fact that they have every reason to expect their efforts to materialize. The refinery is to be built, we understand, in an extremely sensitive area as far as the fishing resources of the Grand Banks are concerned; there are also, of course, the resources of Placentia Bay itself to be considered.

I see it is five o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of the adjournment are as follows: the hon. member for Moose Jaw (Mr. Skoberg)—Housing—suspension of C.M.H.C. loans in larger cities; the hon. member for Hillsborough (Mr. Macquarrie)—Historic Sites—acquisition of residence of Sir Robert Borden.

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

(5:00 p.m.)

[*Translation*]

PRIVATE MEMBERS' MOTIONS

THE CANADIAN ECONOMY

GUARANTEED MINIMUM INCOME

Mr. Roland Godin (Portneuf) moved:

That, in the opinion of this House, the government should consider the possibility of passing a law under which every Canadian citizen, who is without work or other source of income, would receive a guaranteed minimum income as a way of recognizing, in a special fashion, the dignity, the value and the economic rights of the human being, in the context of the economic life of the nation, that the amount required for the payment of the guaranteed minimum income be derived from the national product so as to increase neither the taxes on individuals and companies, nor the cost of living, nor the price of any product or service; that this measure could, with advantage, replace the contributions and payments of all the systems of unemployed insurance, social welfare, family and personal allowances, Canada Pensions and Quebec Pensions, that the economic recognition of the guaranteed minimum income would be to the greatest advantage of all the citizens of Canada, and, at the same time, would be of great benefit to all the principal sectors of the national economy.

He said: Mr. Speaker, about this notice of motion which I put on the order paper on October 28, 1969, I take it as my responsibility to express my views because this concerns the fate of two thirds of the Canadian people without income.

Since first we heard the promises of the government, especially those of the Prime Minister (Mr. Trudeau), about the establishment of a just society, we can wonder when will come the measures which were to follow.

We have been told about various bills on tax reform, but we must admit that Parliament has not done anything to help the majority of Canadians.

Royal commissions have been created and they have submitted their reports, pointing out to us structural and regional disparities. Some reports also dealt with periodic fluctuations and even recommended the retraining of some workers. But those recommendations all reflect the influence of a clique.

While computers do the work of accountants and office clerks, and machines replace workers, unfortunately there are still dreamers within the Canadian administration who keep the possibility of a full-employment policy alive.

While financing costs and taxes of all kinds increase the prices of goods and services that are essential to our survival, those who are responsible for those increases are talking about a plan to ensure a reasonable price stabilization. To distract the people from the real conditions, even economists contradict themselves publicly about the causes of poverty in a prosperous society.

If we consider that the Canadian citizens are always caught between a heavy production on the one hand and a low purchasing power on the other, it is obvious that a slight change must be made in the distribution of the purchasing power in the specific areas where it is lacking, that is among the Canadian citizens who do not have a sufficient income.

We feel that the guarantee of a national dividend which would cover the essential needs, food, clothing and housing, is perfectly workable today, due to the present conditions of Canadian production.

Thanks to the advent of automation and cybernetics as well as the application of new production techniques, we consider that the productive labour of mankind is becoming increasingly useless and is replaced by equipment in plants which are increasingly automated.

In an open letter to President Johnson, American economists and sociologists stated that the first condition to be fulfilled in order to prevent economic and social disorder in the present state of production, which eliminates human labor without succeeding in reemploying the worker to good advantage, is simply to ensure to each individual and to each family a minimum guaranteed income as a basic right.

Even though wages and salaries might bring sufficient income to all of the 8,500,000 Canadian citizens actively engaged in production, there remains an unbalance due to the other 13,000,000 Canadians without income. This is the gap which must be filled without however taxing those who get an income from work or from personal wealth. The only thing necessary is therefore to determine a set and guaranteed minimum for the 13,000,000 Canadians who are too young, too old, sick, crippled, blind or unemployed, who are all entitled to it.

In fact, if the father works he receives the salary of a single man. To my mind, society cannot expect him to support five or six people on one salary which is barely sufficient for a single person. That is why a guaranteed minimum must be provided for the mother and each of her children.

The Progressive Conservatives and the Liberals have never taken the family into account in their tax legislation. A table, published at page 1534 of *Hansard*, on June 14, 1967, makes a comparison between a single person and a man with a wife and three children as dependents, both earning an annual salary of $4,200. After paying his income tax and while taking advantage of his basic exemptions, this father has $515 left to support his family. That is $125 per person per year, $10.50 per month or 30 cents per day. That is what our present tax system leaves to the taxpayer. One can imagine the small amount left to the mother of a large family. Thirty cents per day for the mother, the most important person in our society, when our national production will reach $80 billion in 1970. Those figures show that the situation is abnormal.

In my opinion, the first move was to bring in a notice of motion in order to draw the attention of the House to this situation through proper parliamentary action. Social Credit has always advocated a philosophy and economic reforms promoting the well-being of the individual and the family in the monetary, economic and financial fields, and thus more personal, family and social freedom. With money in his pockets or in the bank, a man can speak the language he wants or go to the school of his choice.

While all the millionaires, the scientists, the chairmen of large banks and companies, the leaders or ministers of the old political parties are defending the interests of high finance, while all the unions are seeking higher salaries for the workers, nobody is doing anything for the unemployed who have a right to live. In fact, Social Credit is the only one to talk about that.

In this country, 5 per cent of the population are made up of people with personal income, 35 per cent earn salaries, 60 per cent are unemployed and depend on a producing citizen or on society in general. Here are the facts; here is the present situation in the Canadian society.

The Canadian government does not produce anything but it administers everything. It is the people who produce everything, even

their ministers and members of Parliament. It is up to the people to say to their ministers and representatives how production should be distributed for the good of the whole population and not only for the good of capitalists.

The production of goods and services is excellent but purchasing power is lacking to buy this production. Purchasing power, it is money. Money is very badly distributed. Some have too much, others not enough. Inflation for some, deflation for the others. All the while discussions take place throughout the country about the sharing of taxes between the federal, provincial and perhaps even municipal governments, the poor distribution of money between families is forgotten.

When the government levies taxes, it is to distribute the sum total of this revenue in salaries, interests and administrative costs. Thus, taxes that have been drawn from the people are deemed to return to the people. If the national production is made up of the work of eight million citizens, isolated or associated, I think it should benefit all Canadians, including the thirteen million who are unemployed, but who also have the right to live in our society.

All the Social Credit philosophy based on the needs of the individual in the family, is there and it enables us to claim, even in the present system, a guaranteed minimum income for all.

• (5:10 p.m.)

The purpose of this method is to help families to fulfil themselves and, as the family is the very basis of society, I feel parliament should give serious thought to that problem. If we want the country to prosper, let us start by ensuring the prosperity of every family, every individual. If families are prosperous, all the institutions normally will be, or else they will disappear if they are not useful to people who can afford to pay.

Beautiful plants, stores, huge offices, marvelous schools and public buildings, skyscrapers fifty stories high are being built, but still too many slums are being tolerated.

Mr. Speaker, the concept of a guaranteed income is not new, since on October 22, 1968, I gave the green light, here, to the personal guaranteed income, during the private members' business hour. At that time, I was congratulated on doing so, particularly by the Leader of the Opposition (Mr. Stanfield) and the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs.

The Leader of the Opposition said, and I quote:

I wish to congratulate the hon. member for his interest and concern in the grave problem of poverty in Canada and the improvement of assistance and welfare administration... I do want to congratulate him most sincerely upon his interest in the problem and for placing the matter before the House.

For his part, the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs, the hon. member for Parkdale (Mr. Haidasz) said, and I quote:

I welcome the opportunity extended to us to take part in a debate on a guaranteed minimum income for Canadians. I should like to compliment both the hon. member for Portneuf (Mr. Godin) and the Leader of the Opposition (Mr. Stanfield) on their contributions to this debate.

Fortunately, on April 6, 1970, three members of this house spoke again about a guaranteed minimum income, and expressed various views as to the problem and the difficulty of solving it, to start with the quasi-impossibility of isolating the problem and even of defining it, for the needs of the study.

Of course, I am happy to thank the honourable members for Oshawa-Whitby, Lanark and Renfrew and Scarborough West (Messrs. Broadbent, McBride and Weatherhead), for having opened the debate this year, thus allowing me to go straight to the point and to give some details and solutions concerning an individual guaranteed income.

Mr. Speaker, the Canadian government is always ready to make gifts to some developing countries. Such action, repeated regularly enough, has a two fold purpose: First, to help the recipient country; secondly, to keep our industries going since with those gifts, foreign countries buy more from Canada.

If gifts to foreign countries contribute to the progress of our national economy, all the more would gifts to Canadians have the same results, affording at the same time a little comfort to families.

If new gifts promote the development of foreign countries, let us allow our own people to take advantage of the same methods.

Mr. Speaker, in order to give a new impetus to the national economy, I take the liberty of suggesting the amount of the gifts that will have to be made to all Canadians without income, namely $30 a month to all youngsters, from birth up to 12 years old, $60 a month to all students from 12 to 18 years of age, and $100 a month to all other citizens without any income, including mothers.

All hon. members who understand the meaning of the gifts to foreign countries will recognize that the gift approach is the only method which can so far ensure that a minimum income is paid without resulting in an increase in taxes, prices, or the cost of living, both for individuals and companies.

This method alone under which a purchasing power is guaranteed to the unemployed without any other source of income can replace, in my view, all family and personal allowances programs, as well as the Canada and the Quebec pensions plans, including the welfare allowances which have become as expensive as they are disgraceful.

The people who produce the national wealth have the right to tell the ministers and their elected representatives how to distribute production in the interests of all Canadian citizens, and not only to ensure superabundance to a few, to the prejudice of others who lack the necessities of life.

In short, Mr. Speaker, I dare hope that all hon. members who wish to better the lot of their constituents will give me their support.

Mr. Jacques Guilbault (Saint-Jacques): Mr. Speaker, first of all, I think that I can give satisfaction to the hon. member for Portneuf (Mr. Godin), who hopes that several members will support him. In fact I am one of those who will support him.

I believe that the need for a guaranteed income system was felt in Canada for many years. However, let me tell you that the motion of the hon. member for Portneuf has a serious weakness, since it purports to restrict the guaranteed minimum income allowances to the unemployed Canadian citizens. Therefore, such a system would not apply to the poor workers, no more than the existing welfare programs. It would be almost identical to the present programs based on a means test.

Mr. Speaker, the tremendous economic growth experienced by Canada after the second world war could leave many people under the impression that as our gross national product would increase, the problem of poverty would gradually lose its importance. However, the facts have shown the contrary.

The real per capita revenue has increased noticeably, but a good number of the people have not benefited enough to get rid of poverty. The affluent society is more and more conspicuous for the poor, but the rich, to a great extent, remain unmoved by the predicament of the poor.

Guaranteed Minimum Income

During the past years, we have become more and more aware of the persistence of poverty in Canada. If we are not more sensibilized to the problem, perhaps it is partly due to the fact that we keep believing that poverty means full deprivation. In other words, the threshold of poverty has often been considered as the level of minimum physical sustenance, providing one with just enough to be able to live and work.

Human needs, however, also involve many conventional or social features related to the changes in the way of life of the community. Obviously, these features change with time. For instance, more and more people are now becoming aware of the fact that many people are poor because they are deprived of income, of job opportunities, of the environment and the self-respect, which are considered normal in the community. Poverty should therefore be considered as a fact related to the average standard of living, which is constantly developing. This, however, does not preclude isolated cases of utter destitution.

The tentative evaluation of poverty which appears in the fifth annual Report of the Economic Council of Canada shows that about four million Canadians may be considered as living at or below the poverty level. Preliminary estimates for 1967 involve 840,000 families and 586,000 single persons, adding up to some 3,850,000 people.

The data provided by the Canada Assistance Plan and the Old Age Security Program show that out of this number, almost two million people are now receiving an income supplement based on a means or needs test, or an income supplement to the old age security pensions. In spite of that, their income remains below the poverty level.

• (5:20 p.m.)

We can therefore conclude from the Economic Council figures that most of the remaining two million persons belong to families of small wage-earners who belong to the labour force but whose income is below the poverty level.

We will therefore note that there are now in Canada more than four million men, women and children who live in poverty compared to their fellow citizens. Some, if not all of them, are inadequately housed, fed, undereducated, deprived of leisure and frustrated even in their own sense of dignity. Most of them can be fitted into one of three main categories, the first of which includes the people on welfare.

[Mr. Guilbault.]

Mr. Speaker, the term "welfare" has become a bitter one for more than a million persons who rely on the system. Benefits vary considerably from one province to another, but in practically all cases, they fail to meet the actual needs of the recipients. People in receipt of relief feel stigmatized. They are often fearful and scornful of the local welfare officials because of the great power they wield and because of their often irrevocable decisions. That category is made up mostly of mothers without husbands either as a result of desertion, death or divorce. Disabled persons, a great number of whom are totally unable to fend for themselves, also belong to this category.

Another class belonging to this category are the older people. The economic situation of the aged in Canada is amply evidenced by the fact that 52 per cent, or almost 750,000 of those on welfare, are eligible, either partially or fully, to the guaranteed minimum income.

For a good many of those elderly people the guaranteed income supplement does not provide decent living conditions. And yet most of them cannot get the advantages provided by the Canada Assistance Plan. It should be pointed out that a relatively small number of elderly people who are living in a state of poverty receive some supplementary assistance through the provinces.

Those I call the working poor are another category of needy people. More than two million people fall into this category. A good many of them note bitterly that in spite of all their efforts to succeed in supporting themselves their lot is actually worse than that of their fellow-citizens who are not working and get welfare payments. Those people sometimes earn their low income from marginal industries, from jobs on farms, from work done as woodcutters or as fishermen. It may be also that they live in economically underprivileged areas where they can find part-time or low-paying jobs only. They are also found in big cities with a very high cost of living and where they manage somehow to make both ends meet with an income in the neighborhood of the minimum salary.

But the motion presented by the hon. member for Portneuf does not provide for any benefit for those two million people who live, in spite of the fact that they work, in a state of poverty. I should like to add, in this connection, that this motion is not that much different from existing provincial welfare schemes.

Bachelors and married people with no children are not as a rule eligible to the various programs designed to meet the needs of particular classes of people. Still, it was expected that the unemployment insurance program would apply to all persons actually in need. But we note that, at the provincial level, welfare programs have not generally taken into account the needs of the low wage earners, that is what I call the category of poor workers.

Everyone knows that, generally speaking, poor workers are not entitled to social welfare benefits under present regulations. This situation prevails despite the fact that, under the provisions of the Canada Assistance Plan or of the agreements concluded with the provinces pursuant to that Plan, there is absolutely no restrictions concerning the federal share of the costs of assistance to full-time workers.

Some provinces are determinedly against financial assistance as the basis of the general policy for full-time employees; other provinces do not reject it. However, the principle of granting financial assistance is extremely limited in those provinces and benefits are usually available only to the families which experience severe hardships.

The proposal of giving welfare allowances to full-time workers naturally raises the much debate question of determining reasons, more particularly so when it is considered with regard to the application of adequate forms of assistance to people who are unable to work. The objection is often raised that the fact of providing those who are unable to work with a satisfactory allowance can dampen the sense of independence of the recipients who are partly able to work and of those full-time workers who could not earn more than what the assistance brings. That is the basic dilemma.

If the welfare systems provide adequate assistance for the unemployables and give identical help to employable recipients, but without any income exemption, the latter will not be encouraged to work: any income arising out of a job only reduces the amount of benefits and leaves no advantage to someone who works.

If employable individuals are granted partial income exemptions beyond a basic adequate level, not only a huge expenditure of public funds will be necessary to help those whose income is lower than that level, but the systems will then apparently be subsidizing the small wage-earners. If to give an incentive to work to employable individuals, a certain form of guaranteed income lower than an adequate minimum level is applied, the difficulty remains as far as the determination of an adequate income for the unemployables is concerned.

For two years now the federal government has been carrying out a reappraisal of its social security programs and of their objectives in order to decide which method among those that I have just mentioned, or which combination of methods, would be more in harmony with the aims of social security in the future. A close analysis of the costs and consequences of each method is necessary.

In the throne speech last fall, as hon. members will recall, the government announced the preparation of a white paper on social security to be tabled in the House during the current session. That document will make known the results of the reappraisal that has been underway for the past two years. It will give the federal government an opportunity to make known its views and its intentions in this field. It will also allow for a general discussion on the matters in question and for a dialogue with the public on the methods to be used with regard to income security in Canada in the next ten years.

I ask the government of Canada to include in this white paper proposals relating to the establishment of a guaranteed minimum income plan for Canadians.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, although there are one or two aspects of the motion now before us with which I must take exception, I should like as my first word to commend the hon. member for Portneuf (Mr. Godin) on bringing before us once again the question of a guaranteed income for the Canadian people. While I am in a mood to extend congratulations, may I also commend the hon. member for Saint-Jacques (Mr. Guilbault) on his insistence that our concern for those living in poverty should not be confined to persons and families on relief, social welfare and so on. He makes the point very well when he emphasizes that many people who are working are on incomes so low that they too are living in poverty. As a matter of fact, I suspect the figure he gave of four million Canadians really existing in poverty is probably a conservative one. I suggest this figure probably is five million or more.

• (5:30 p.m.)

However, Mr. Speaker, although I commend the hon. member for Portneuf for again bringing before us the question of the guaranteed income, even as I commend all hon. members who are interested in the problem of poverty, I must again say that I feel very strongly that we are not really comprehending the problem nor coming up with a solution when we talk about income guarantees that in effect are based on means or income tests. That, indeed, is my one quarrel with the motion placed before us by the hon. member for Portneuf, in that he wants this guaranteed minimum income, as he defines it, to be made available to every Canadian citizen "who is without work or other source of income." It seems to me that if we continue to think in terms of social assistance, social welfare, social security programs or what-have-you as having to be based on what people already have, based on whether or not they are at work, based on whether or not they have enough income, we are in effect keeping people in a category of poverty.

Hon. members are aware of the recent book by Ian Adams, entitled "Wall of Poverty". In it he has a chapter entitled—I think I have this correct although I do not have the book in front of me—"Keeping the poor that way." That is what concerns me about most of our approaches to the problem of poverty. We think of these people as the poor and so we must do something to help them; we do it out of kindness or compassion, or to keep the economy going. But we seem to assume they will still be the poor; they will still be in need of assistance. I submit that some day society will get wise to itself, and I do not see why we cannot start now and make to our people grants that are a form of guaranteed annual income without any reference to work, means tests or what-have-you.

There are in society many things in respect of which we do this already. We provide all our people with education. Oh, there are varying degrees of education that people get, depending upon their incomes, depending upon whether or not they can go up into the higher grades, to university and so on; but we provide it, and we boast of our society as one that provides education for all. We provide police and fire protection for all. We provide roads, highways and national defence. There are many things that are part of a society, and if you live in the society you are entitled to share in them.

I believe the day will come when we will say the same thing about a basic standard of living and about the number of dollars, the income, that is necessary so that everybody achieves that standard of living. We will grant everyone a basic income and let the income tax take it back from the wealthy. We started to move in that directiotn with respect to the old age security pension back in 1950 or 1951 when we provided a pension to everyone of a certain age regardless of his means or other income.

We retreated a bit when we added the guaranteed income supplement and put it on a means test basis. But I submit that it is still true that some of the sting that used to go with old age, when the old age pension was on a means test basis, has been taken out because there is this money available to everyone. That is what I want to see, not just for our senior citizens but for all groups in society.

Indeed, I think that a practical way to do this is to start with one group and move on to another. I would like to see a guaranteed income provided first of all to our senior citizens. I do not mean a guaranteed minimum income based on means; I do not mean a guaranteed income supplement—I mean raising the basic $75 to $150 and giving it to everyone, across the board.

I think our veterans group is another in respect of which we could practice the principle of a guaranteed income for all without regard to means or to other income. Then perhaps the next area is our families. Although people say that family allowances do not play the part that they did when they were brought in in 1945, this is a way of providing certain basic guarantees of income to all our family units regardless of the other income that people may have, regardless of whether they have jobs or not, and therefore family allowances should be increased. Mr. Speaker, that is the point I want to make, that providing a guaranteed income means granting it across the board, without any means or income test.

People ask about the cost of these things. Of course these programs cost money, but my hon. friend from Portneuf—even though he may have put it in words that the rest of us say is Social Credit jargon—is awfully close to the truth when he says we can provide things out of our gross national product. What is it that we want to provide? Do we want lots of filling stations, tall office buildings, great bank buildings and affluence of that

kind; affluence for a few at the top—or do we want the purpose of our gross national product first and foremost to be a guaranteed income for all our people? I believe it can be done. I believe it will have to be done.

I do not want to be accused of trying to paraphrase something a great man once said, but I think it is true that society, whether it is ours in Canada or that of the world around us, cannot go on half well-off and half poor, half secure and half insecure. If we are to hold together any kind of unity, any kind of society, certain things will have to be shared and enjoyed equally by all our people. I think the way to get this kind of thing started is to work for a guaranteed income. As I say, I would pick out certain groups as the first ones, such as senior citizens, veterans, and families.

The day of this kind of social security will come, and I do not think we should resist it by saying that it is futuristic or by going along with this gobbledegook about selective programs of social security and social welfare. That is turning the clock back, Mr. Speaker, and we do not want that. We want to move ahead into the kind of society that is possible in the future. Why does the future always have to be so far out in front, especially when you consider that in the meantime, as my hon. friend from Saint-Jacques (Mr. Guilbault) has said, four million or five million people in this great country of Canada, with all the wealth we are producing, are living in poverty today? It is not good enough. A guaranteed income could solve it, and I welcome the fact that the hon. member for Portneuf has asked us to do some thinking about this question again today.

• (5:40 p.m.)

[*Translation*]

Mr. Aurélien Noël (Outremont): Mr. Speaker, I listened with great interest to my colleague, the hon. member for Saint-Jacques (Mr. Guilbeault), who pointed out the following flaw in the motion proposed by the hon. member for Portneuf (Mr. Godin), and I quote:

—every Canadian citizen who is without work or other source of income.

This is too restrictive.

The hon. member for Winnipeg North Centre (Mr. Knowles) himself drew our attention to the matter when he said that this yearly income should not only be granted to unemployed Canadian citizens. As my hon. colleague pointed out, there are a lot of employed people whose income is below the subsistence level.

If we further analyse the motion moved by the hon. member for Portneuf (Mr. Godin), we note the following and I quote:

—that the amount required for the payment of the guaranteed minimum income be derived from the national product so as to increase neither the taxes—

I simply do not understand that proposal. How can we make available to Canadians without income, capital or work the national product? It needs always to be transformed to some extent so that the Canadian citizens can avail himself of it. I do not understand that at all.

Further on the motion says:

—be derived from the national product so as to increase neither the taxes on individuals and companies, nor the cost of living, nor the price of any product or service;

This seems to me quite fantastic. I continue:

—this measure could, with advantage, replace the contributions and payments of all the systems of unemployment insurance, social welfare, family and personal allowances, Canada Pensions and Quebec Pensions.

Thus it is a matter of getting rid of all that has been done for several years to help the poor who have special needs. We are going to demolish everything in order to rebuild. I know some people today who call for destruction, especially in the province of Quebec. Would it be another form of demolition? I do not think that such was the intention of the hon. member who sponsored the motion.

This motion implies that the provinces are all agreed about it. This is an illusion. All the same!

Though I am in favour of the government supplying the Canadian people with guarantees against poverty and also in favour of improving the present system, I cannot, however, endorse the four points specifically and implicitly included in the motion.

Let us examine the first argument. The program would be financed, as proposed, out of the national product, without increasing taxes or the cost of living. The motion suggests that the national product can provide the necessary funds to cover the substantial increase in expenditures without necessarily boosting individual or corporations taxes the cost of living or the price of goods or services. In my opinion, these objectives cannot be achieved in practice; in short, they are unobtainable so to speak.

I just cannot imagine how such a tremendous increase in expenditures could be financed except by an over-all increase in the personal and corporate income tax, the sales tax, by taking over credits allowed to other government programs, by making loans, by depreciating our currency, through some rearrangements of the above mentioned proposals, or, finally, by putting the printing press to work making bank notes.

All these factors could put pressure on costs and prices and bring about a drop in real income. Then, it would be very difficult, if not impossible, to reach the goals mentioned in this motion.

Canada is not as rich a country as some of its citizens seem to think. Supported by a rising tide of all kinds of aspirations, since the Second World War, various groups in our society expect that the community will enable them to realize these aspirations, whatever they are, and they contend that the community has the financial capacity to do so. On the other hand, it is well known that all taxpayers object to the general level of taxes. This has been forcefully demonstrated here by the spontaneous outcry of several individuals when the white paper was submitted. The level of taxes has to be particularly taken into consideration when they are to be increased.

As far as possible, funds which are already paid into the system should be distributed to the poor in the fairest way possible. But those funds are not sufficient.

To respond in a practical and fair way to the challenge of poverty, Canada will have to find additional funds, in addition to those which already support our social security system. The resources already allotted to the system must, as far as possible, be distributed to the poor and new funds must be contributed in order to achieve this main, priority goal.

Mr. Speaker, I said "as far as possible" and this leads me to criticize a second argument of the motion which I cannot accept. It deals with the proposal that the guaranteed minimum income should replace the contributions and payments of all the systems of unemployment insurance, social welfare, family and personal allowances, including Canada Pensions and Quebec Pensions.

Before discussing the replacement of all the present income supplement systems we should again examine their purposes. It is advisable to recall the objectives of the income supplement programs. Some of them are devised so as to provide for an income supplement intended to help out poor people under certain economic circumstances and to prevent impoverishment. Others are designed to protect all citizens against the loss of income incurred from social risks which affect all citizens and not only the poor; some of them are even so designed as to redistribute income to the disadvantaged people of our society.

Canadian social security programs have been set up to fight poverty and to bring in social insurance. As far as poverty is concerned they have been meant to ascertain a strict minimum income to those who have not or hardly the means of supporting themselves, and as far as social insurance is concerned, they are made to protect people against certain social risks.

Unemployment insurance has been established to provide all contributors and members of the labour force with a short-term unemployment income irrespective of their annual income. It fills in for the salary lost momentarily on account of unemployment, without the recipient being required to earn an income lower than the poverty-line level. One of the purposes of the Canada Pension Plan and the old age security program is to provide an income supplement to the old, the disabled and widows regardless of any income they may receive.

• (5:50 p.m.)

Workmen's compensation is designed to provide for income maintenance and health services arising from accidents suffered at work or industrial diseases. The maximum levels of support are more generous than would be the case under a system of guaranteed minimum income. Consequently, the legislation implementing a guaranteed annual income program to replace the existing programs should be carefully considered in order to determine its effect on the social and economic goals achieved by several of the existing programs.

It is necessary to take into account the technical and the political aspects of the results ensuing from the substitution of the guaranteed annual income for the existing programs. For some programs, the substitution would be relatively simple; for others it would be extremely complicated, not to mention the political problems it would create.

From the technical standpoint, it would be relatively easy to replace the family allowance plan but, from the political standpoint, it might give rise to strong objections on the

part of those who would stand to lose if the current program were abandoned. Families with an income over a certain level would no longer get these allowances nor would they be entitled to the maintenance income provided under the guaranteed minimum income scheme.

Replacing the unemployment insurance program would create a certain number of problems. Owing to some commitments too costly for their standard of living, unemployed people with an annual income above the prescribed limit on minimum income may have an urgent need for a short-term maintenance income, even though these people are usually above the poverty level.

The abolition of unemployment insurance would suddenly deprive some workers with an average income of a type of protection which they now get and to which they have contributed for a period of years. In order to overcome the difficulty, the unemployment insurance plan should not be replaced but be made part of the entire guaranteed income scheme. The minimum guaranteed income should be available to those who are at or below the basic income level, but those who are in the higher income brackets and who are unemployed should receive a proportional supplement.

The substitution of the annual guaranteed income system for the old age security scheme would cause serious problems to those who have an income higher than the basic level of maintenance income. Most of the people who receive life annuities from a private enterprise made it part of old age security. Many retired persons or some who are on the verge of retirement are convinced that an old age pension will be paid to them as soon as they reached retirement age. It is distressing to think that 40 per cent of older persons might be in such a situation and would not get a pension, because their income exceeded the standards of basic income, more especially since several have been paying a special tax for old age pension since 1952.

One could dwell at length on the implicit contents of the resolution. I cannot agree, because the motion on the whole does not apparently take into account the fact that the central government cannot act alone in determining a guaranteed annual income without consulting the provinces beforehand. It is an important constitutional problem which the motion overlooks. Social assistance, in whatever form it is implemented, is an extremely complex problem which must be studied thoroughly. It is not good enough to promote the idea and then say that everything will turn out well.

The replacement or the integration of the Canada Pension Plan or the Quebec Pension Plan would surely cause difficulties in respect of contractual commitments to contributors in every province. As in the case of unemployment insurance, the purpose of the Canada Pension Plan or the Quebec Pension Plan is to provide additional income to people in all income brackets who would not bother to provide against a rainy day.

It would be very difficult to replace that goal by a formula which would bring a maintenance income only to lower income groups.

The motion also suggests that the present social welfare plan be abolished and that the funds be made available for a federal guaranteed minimum income scheme. On the one hand, this proposal does not mention that 50 per cent of contributions to these plans come from provincial and municipal governments, which could well decide to use these amounts for other purposes if a federal guaranteed income plan were created. On the other hand, it does not take into consideration the likelihood that social assistance programs based on needs of citizens must be maintained, even if a federal guaranteed income plan were to be implemented.

I presume that the federal government would not be able to distinguish between the citizens in urban areas and those in rural areas, where the cost of living is high or not. I also suppose that we would have to guarantee a certain level of income according to the number of members in a family, regardless of the area, the city or the place where these people want to live.

I believe this would be a very costly proposition. As a matter of fact, a great deal of money would be needed to guarantee a minimum income to everybody, to enable them to live in an adequate and dignified manner in metropolitan areas like Montreal or Toronto. This minimum income would have to be fixed in terms of the needs of people of average income.

If this assumption is correct, the income level that we could guarantee to people in Toronto and Montreal would undoubtedly be inadequate to support families. Therefore, some families would need additional assistance which could not be granted to them under a standard system of minimum payments established for all Canadian people.

Some people may need special diets, drugs, apparatus, supervision or services which cannot be provided under the guaranteed minimum income plan. It will then be necessary to establish special social welfare programs in addition to the payment of a guaranteed minimum income to all unfortunate families who live in areas where the cost of living is high and the minimum income inadequate. I cannot believe that all the social programs would simply disappear if a yearly guaranteed income plan was established.

Finally, my colleague from Saint-Jacques pointed out that the motion is too restrictive, that it applies only to unemployed people or to those without capital. I shall, therefore, spare the House the few remarks that I had prepared on that subject.

This is a very complex problem and, as my colleague from Saint-Jacques has just said, the government is giving active consideration to it. As the hon. member for Winnipeg North Centre (Mr. Knowles) has said, we all want a more equitable distribution of riches, but the question is to find the means of insuring a fair, rational and efficient distribution of all such resources.

[*English*]

Hon. J. W. Monteith (Perth): Mr. Speaker, I see I have 30 seconds left before the supper adjournment. I should simply like to say that I regret very much not having had the opportunity of putting my personal views or those of my party on record during the discussion on this matter.

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FISHERIES ACT

AMENDMENTS RESPECTING "CLOSE TIME", DEPOSITING OF WASTE, MARINE PLANTS, ETC.

The House resumed consideration of the motion of Mr. Davis that Bill C-204, to amend the Fisheries Act, be read the second time and referred to the Standing Committee on Fisheries and Forestry.

[Mr. Noël.]

Mr. McGrath: Mr. Speaker, at five o'clock I was referring to the concern that I and many other people have about the effects of two very serious forms of pollution—pollution from the possibilities of offshore drilling for oil on the continental shelf on the Atlantic and Pacific coasts, and the consequences of a major mishap at sea as a result of the construction of large oil refineries on our coasts.

I was referring to an oil refinery which is to be built at Placentia Bay, Newfoundland. It is to have a production capacity of 100,000 barrels. I repeat that we have arrived at a point where the government must make some decisions. The time has come when we must choose between offshore oil drilling and the conservation of our fishing resources on the Atlantic and the Pacific coasts. I refer especially to the Atlantic coast and the great Grand Banks fisheries which produce so much of the world protein and where at the present time a number of major United States oil companies are conducting experimental drilling operations. Substantial amounts of money are being spent with a view to developing the known oil resources on the continental shelf.

One of the great authorities on the consequences of oil pollution, and one of the few recognized authorities in Canada, is Dr. Richard E. Warner, a professor on the staff of Memorial University of Newfoundland. He has written a very definitive paper on oil pollution, which I commend to the minister. I wish to put on the record Dr. Warner's recommendations which were made as the result of considerable study on the subject:

Recommendation 1: instigation of a biologically and oceanographically oriented research program in the North Atlantic and the coastal regions of eastern Canada with special reference to seabirds and other important marine species.

Recommendation 2: instigation of a research program into the biological effects of marine oil pollution upon the hyponeuston, or the surface and immediate subsurface biotic community which is so critical to the continued productivity of the oceans.

Recommendation 3: instigation of a research program into the biological effects of oils in arctic and subarctic waters.

Recommendation 4: carrying out of a national survey to identify sites of special importance, leading to development of critical area protection programs.

Recommendation 5: instigation of a research program into the biological effects of present and proposed refinery and petrochemical plant operations—

He cites as examples the oil refinery in Holyrood, Newfoundland, and the proposed oil refinery and petrochemical complex to be built at Come-by-Chance in Placentia Bay, Newfoundland.

Recommendation 6: development of a truly effective national system for locating, reporting, and identifying the sources of oil pollution circumstances.

Recommendation 7: development of a national contingency program.

The need for such a contingency program is very dramatically borne out by the *Arrow* disaster off Nova Scotia and the opening up of the Northwest Passage to supertankers.

Recommendation 8: development of national criteria for environmental protection, to be included in all oil leases, construction contracts and other agreements where the activity presents some probability of risk to the environment.

Presumably one of the important amendments in the legislation now before us will give the minister authority to implement a recommendation such as this. I think it is a very important recommendation.

Recommendation 9: improvement of international co-ordination and communications.

That is a very important recommendation, Mr. Speaker, especially since we share this continent with the great industrial giant to our south, which is responsible for most of the pollution of the environment of our western hemisphere. Indeed, there is an urgent necessity for the government to enter into negotiations and discussions with the United States with a view to having a meaningful treaty on continental pollution. This could cover oil and other forms of pollution.

It is not enough for the Minister of Energy, Mines and Resources (Mr. Greene) to get up in the House and say that he is going to meet with the U.S. Undersecretary of State. We require a conference of our two governments at the ministerial level at which the Minister of Fisheries and Forestry (Mr. Davis), who has considerable responsibility in this area, could play a very important role. The Minister of Fisheries probably has more responsibility in prevention of pollution than any other minister of the government, including the Minister of Energy, Mines and Resources and the Minister of Transport, (Mr. Jamieson), although a special case can be made for the Minister of Indian Affairs and Northern Development (Mr. Chrétien) because of the peculiarities covered by the Northern Inland Waters Act.

• (8:10 p.m.)

The Minister of Transport has assumed certain responsibilities in connection with pollution. He represented Canada at the Brussels conference last year and will presumably be presenting legislation to the House. As far as he and the Minister of Energy, Mines and Resources are concerned, we feel they should take second place to the Minister of Fisheries. We believe even more strongly that the proposed Canada Water Act now before Parliament should be withdrawn in favour of a Fisheries Act which places responsibility where it belongs, that is to say, in the hands of the Minister of Fisheries. We understand that the minister has been unable to convince his colleagues in the cabinet sufficiently in connection with the seriousness of the responsibilities he bears. We wish him every success and we intend to continue to press for the withdrawal of the Canada water legislation.

With regard to international agreements, reference has already been made by my hon. friend from South Shore (Mr. Crouse) to the conference which is being promoted by the province of Ontario. Eight Great Lakes states of the United States and two or three of our provinces which border on the Great Lakes are to be represented at this conference which presumably will be the first step toward cleaning up the situation. The government of Ontario has in this instance assumed an initiative which should have been shown by the federal government a long time ago.

Now that the conference has been called, I hope the government of Canada will take advantage of this opportunity which has been presented to it by entering into discussions with Washington to make sure that the government of the United States is represented at the conference by a senior member of the United States cabinet. I hope, too, that the Canadian government will be represented by the Minister of Fisheries and that as a consequence of this conference a consensus will be reached on the basis of which a treaty between Canada and the United States will be possible. This, to my mind, is the only logical and effective way in which control measures on this continent can be implemented.

I trust the conference will be furnished with all the knowledge and expertise which the two countries have at their disposal.

There is the Canadian experience in connection with the *Arrow* disaster, and our experience in Arctic waters generally, then there is the experience of our American friends in connection with the disastrous Santa Barbara spill and the recent spill off the coast of Louisiana. I trust there will be correlation of ideas leading to a meaningful consensus so that we can effectively implement the controls so necessary to free our environment from pollution.

Pollution is becoming a popular subject. In this Parliament we have seen that a number of ministers are anxious to get into the act and follow the lead given by the public. As I said before, we feel strongly that the responsibility for dealing effectively with water pollution should rest with the Minister of Fisheries and that the government, recognizing the inadequacy and redundancy of the Canada Water Act, should withdraw it in favour of a strengthened Fisheries Act which will enable the Minister of Fisheries to deal with pollution not only in our streams and lakes but of our coastal waters both in the east and in the west.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to spend a few minutes this evening discussing one or two points which have been raised by other speakers, among them the Minister of Fisheries and Forestry (Mr. Davis).

I have gone over the bill with considerable interest. It deals with water pollution generally and the work which the Department of Fisheries will be called upon to do, or should be doing, to prevent water pollution in all its forms. Looking through the bill, we find that in some instances the act has been strengthened. I would certainly support regulations which added a few teeth to some of the enforcement methods at the disposal of the department, because we need them. I am surprised, however, that the minister should try to tell the House that the enforcement capacity of his department has been improved by this legislation. The very opposite is the case. I call your attention, Mr. Speaker, to the clause which deals with the Canada Water Act, and to the clause which withdraws the jurisdiction of the Department of Fisheries from waters which are to be quality management areas under the act to which I have referred. Mr. Speaker, this legislation does not make sense as far as enforcement is concerned. It is amazing to me that the minister and his department should ever have agreed to amendments to the legislation which would allow the worst polluted waters in Canada to be removed from their jurisdiction. I shall give the House an example of what could happen. For example, there is a move afoot to make the Lower Fraser River a quality management area. The Fraser River is, possibly the greatest salmon stream in the world. We are facing a situation in which jurisdiction can be taken away from the Department of Fisheries and its expert staff of biologists and placed in the hands of whatever group is elected to manage the water quality area concerned. If my interpretation of the bill is correct, this is exactly what will take place.

• (8:20 p.m.)

What will happen if there are two or three water quality management areas on the Fraser River? I realize there are regulations governing salmon spawning, but what will happen is that there will be little groups controlling the greatest salmon spawning river on the continent. Indeed, this sort of thing will happen all across Canada. The areas of jurisdiction that the Fisheries Department and the minister and his staff should be responsible for have been taken away from them. Instead of putting more teeth into the act in this respect, I suggest we are losing ground. A small group will be set up in a water quality management area with the right to set its own standards, with the right to lower standards in the river if it wants to. It could set its own effluent fees and the Fisheries Department would have precious little to do with it, though it might have somebody on the board to whom it could speak.

The minister told the House this afternoon that the government is trying to do away with pollution havens, and that the act was a step in the right direction. The minister referred to areas where industries could vie with one another by lowering pollution standards, thus attracting other industry. In my opinion, this bill is a move in the opposite direction. Large areas of the river, as I see it, will be removed from the control of the Fisheries Department, according to the act. These areas will be removed from the jurisdiction of the department. I am rather disappointed that the minister and his staff have allowed an amendment like this to come forward in view of the damage I think it may do over the years.

I have a great deal of respect for the minister, who I know is keenly interested in pollution problems. He has the most efficient and best trained staff in the federal field to handle

pollution problems. But according to the particular section I am talking about, we will lose the expertise in this particular area. I know of no way around this problem unless it be to move an amendment, as I hope will be the case. I also hope the minister will look at this provision, and if I am wrong I should like the point I have raised to be clarified. As far as Canada is concerned, this is a very serious problem.

Let me talk for a moment about the St. Lawrence Seaway, the Great Lakes and all the streams that pour their waters into the Great Lakes system. Numerous water quality management basins will be established on streams that flow into the Great Lakes system. The minister need not tell this House that there is any wide, broad national standard applied in these areas, because such will not be the case. There will be a wide variation of standards. A few months ago the minister was advocating—and I agree with his theory—that we in Canada need broad national standards from one end of the country to the other. He said we were going to tell industry that it could not move from one province to another or from one area to another with lower pollution standards.

Although we talk about ending pollution havens, we are setting up pollution havens in Canada as a result of the implementation of the Canada Water Act, this legislation and other legislation that goes hand in hand with it. It is time the members of this House, particularly cabinet members, recognized the problem facing Canada and did something about it. Unless changes are made, and made before the legislation is finalized, once more Canada will be presented with a hodge-podge of legislation that will not clean up pollution for the Canadian people.

As I say, I am disappointed to see an amendment of this type to the Fisheries Act which seeks to remove from the jurisdiction of the Fisheries Department those sections of waterway that are mostly badly polluted and need the attention and expertise of the minister's department. I contend that this sort of legislation basically is not good.

Let me put another case to the minister. Take the case of a waterway which is a water quality management area and into which a large number of industrial plants are dumping effluent, including perhaps mercury. According to this legislation the minister's department will be unable to take action. The department will be told to keep away because this is a matter that falls within the jurisdiction of the Canada Water Act. But eventually this effluent will move downstream to the point where the department does become involved. If this is not a piecemeal and foolish approach to Canada's water problems, then I do not know what is. I am amazed that the government has not found a better way to solve the problem.

I realize that you cannot have too many jurisdictions involving themselves with the problem, but I agree in the position taken by the minister over a number of years that the best vehicle for handling water pollution in Canada is the Fisheries Act. A few simple amendments to this legislation would allow the department to stop pollution by industry. It could stop pollution at the factory fence and would perhaps go much further and be far more effective than some of the legislation that is being handed to us as a consequence of the Canada Water Act. It irks me to realize that in an attempt to solve the problem we are probably creating even more hazards than we had before.

Some of the amendments have toughened up the regulations and increased the amount of fines in those areas in which the Fisheries Department still operates. The minister has stated that this is a vehicle that is national in scope, but I suggest it cannot be national in scope when huge chunks of the department's jurisdiction are being cut away. The work of the Fisheries Department is being fragmented as never before. As I say, I am amazed that the minister, his departmental heads and the government have not realized this and put a stop to it.

• (8:30 p.m.)

I shall now say a few words about pollution in general. Other members have touched on this subject. I shall not go over all the points which have been raised by various members. Some members have covered the different clauses and dealt with them in more detail. I believe they have covered these very well. The criticism offered this afternoon and evening in respect of the various clauses of the bill is given in the hope that when the bill returns to the House for third reading some changes will have taken place in respect of its over-all drafting.

Pollution has become a major problem. There is the problem concerning mercury. Again, I shall not go into it in detail. What amazes me in respect of mercury poisoning in Canada is that industries in general pour a large amount of mercury into our rivers and

streams. They have been doing this for years, and nothing has been done to stop it. It would seem that no monitoring has been carried out by the various departments. They could not have been doing a proper job. There is no doubt that for years our fishing streams have been polluted. No doubt, also, some of the product used locally and exported has contained substantial amounts of mercury. Then suddenly it is found that mercury is affecting the fish in the Saskatchewan River and a check is commenced. When the checking is completed we will possibly find many more sources of mercury poison than we suspected.

The point is, this situation never would have arisen had we been effectively and efficiently monitoring the effluents which are flowing into our streams and had the officials of all departments, including the Department of Fisheries and Forestry, been on their toes and using the regulations which had been laid down many years ago. In fact, there would not have been a pollution problem in Canada today.

I say frankly that the best department in this regard and the department which has done the most effective job in trying to stop pollution is the Department of Fisheries and Forestry under the present minister. I give the minister all the credit in the world. I would be extremely happy to see him in control of the whole pollution program for Canada, because I think he is interested and has the knowledge and dedication necessary to do the job. I say to the minister, however, that he will not be able to do the job with the type of legislation he has placed before us for second reading today.

I should like to return to one or two other points in connection with this subject. We have spoken of mercury generally. Someone mentioned oil a few moments ago and the tremendous problems we are having in this regard. There is the matter of pesticides and the industrial aspect of this question. This is an extremely serious matter. But again the minister in his effort to clean up the rivers and streams of this nation will be strapped and harassed at every turn because of one or two of what I consider to be foolish amendments contained in the present legislation.

There is one very good amendment in the legislation which extends the jurisdiction of the department in the coastal areas over aquatic plants. This is good. I believe it is a sound move. I can see nothing but good arising out of it. There are other clauses which deal with the 12-mile limit. I shall not discuss these simply because I believe the amendments are sound. I think they are a step in the right direction and again the department is to be congratulated for bringing in such legislation.

I know other members are interested in saying a few words about the legislation we are now debating. Before I sit down I should like to go a step further and mention the fragmentation of the authority which would be the result of the amendment to section 33 of the act. I consider this to be bad. I shall ask the minister and the officials of his department to take another look at it to see whether some of her amendment or some compromise can be made so that the Department of Fisheries and Forestry can remain active in respect of their regulations, expertise and control in these areas, because if this is not done this whole program could be in jeopardy.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, at the beginning may I say I agree with the hon. member for Kootenay West (Mr. Harding). We sat together on the committee which dealt with the Canada Water Act. Like him, I feel very strongly about certain things contained in this bill. I believe the Canada Water Act should not have precedence over the Fisheries Act.

This afternoon I listened with interest to the Minister of Fisheries and Forestry (Mr. Davis). I should like to say that I do support this legislation. As I shall point out, I support most of the amendments. However, I have some reservations about the fact that the Fisheries Department would seem to be taking a back seat to the Department of Energy, Mines and Resources.

On May 20, 1969, the minister advocated changes in the Fisheries Act. Personally, I would like to have seen these changes before the Canada Water Act was introduced. In any event, we have them now. As I say, this legislation is strong in parts and I support those parts which are strong. I concur also with the speech given this afternoon by the hon. member for South Shore (Mr. Crouse) and certain objections he had in respect of the bill. There are anomalies in this bill. On the one hand it is very strong in that basically it says we will allow the fish to live. On the other hand it says we will do this only if the Canada Water Act is effective. How many pollution bills have we had this session? Well, we had the Canada Water Act, the Northern Inland Waters Act and the Arctic pollution bill.

• (8:40 p.m.)

We have talked about amendments to the Canada Shipping Act, particularly with respect to pollution and the passage of ships through our waters. Now in this bill we have amendments to the Fisheries Act. In all we have at least ten departments concerned with pollution, and at least 25 other agencies of government having an interest in some aspects of pollution. Who has the ultimate responsibility for dealing with pollution? Again this year we have four or five departments introducing legislation to deal with pollution. Mr. Speaker, who has the ultimate responsibility?

I had hoped that the Department of Fisheries would have the ultimate responsibility for dealing with pollution, and my objection to Bill C-204 is that it does not give that department the ultimate responsibility. This bill does not take precedence over all other pollution legislation, and I believe it should. Why do I say it should take precedence over all other such legislation? It is because I think that the right to live, both of animals and of humans, should take precedence over everything else. We have a right to kill animals and fish only for food or to improve our means of livelihood.

This bill prohibits the depositing of waste in any waters frequented by fish. In that respect it is pretty strong. The early part of the bill is quite simple in that respect, and of course it defines waste in accordance with the terms in the Canada Water Act. To my mind the definition in this bill sets minimum national standards. The Minister of Energy, Mines and Resources (Mr. Greene) does not believe that we can have the same standards applicable to all Canadian waters. However, this bill sets minimum national standards, which is something I have advocated. Other hon. members have advocated it. We discussed this point on second reading of the Canada Water Act, which is presently before the standing committee.

On January 15, 1970, speaking to the North Vancouver Chamber of Commerce, the Minister of Fisheries said:

> Our national goal is of course to keep Canada clean. But we have different problems in different industries. We have different industrial mixes in different areas and we have different aspirations regionally, provincially and locally across this great nation of ours. There is room for differences in other words, and the same standards and the same solutions may not always be applied in one part of the country as compared to another.
>
> One thing which we can probably agree upon is a set of minimum standards or goals. A minimum goal for water quality might be that living things can in fact survive. This would protect the essential nature of our Canadian ecosystem. It would protect our particular web of life. At least it should protect the higher orders of living things—people, most animals and lively fish like salmon and trout.

I agree with that, but it contradicts the objective of achieving national standards and goals. Under his legislation the Minister of Energy, Mines and Resources will even allow fish to die in certain waters. He will allow pollution to come to such a point that fish will sometimes die, all because there are no minimum national standards, and therefore there will be different standards for different areas of water.

My main objection to Bill C-204 is that it depends too much on the provisions of Bill C-144 covering the Canada Water Act. I contend, as I said at the beginning, that the reverse should be the case. Bill C-144 should depend on Bill C-204 containing the amendments to the Fisheries Act, because all other departments and all other agencies dealing with pollution should act after consultation with the Department of Fisheries.

The Canada Water Act provides for the establishment of water management agencies. When it was introduced it was supposed to be the government's anti-pollution bill. Now the emphasis has been changed. Not the government says its purpose is to manage waters and that controlling pollution is just one part of the bill. But I remember that when the Minister of Energy, Mines and Resources, because of sickness, was not in full control of his department a Minister without Portfolio who introduced that bill clearly introduced it as an anti-pollution bill.

Bill C-144 is still in committee. We are waiting for the Minister to introduce amendments to it, because now we know it is absolutely too bureaucratic. It will provide for the establishment of the water management agencies that I have mentioned. This will be costly and it will take time. That bill is really irrelevant and useless in terms of Bill C-204. Some have said that so far as pollution is concerned, the government should withdraw Bill C-144. But it does have some good points. Under its provisions long-term goals can be set, but it will take years for it to become fully effective.

To my mind Bill C-204 amending the Fisheries Act should be the government's anti-pollution bill. I do not really believe that the Minister of Fisheries wishes to have his bill depend upon the effect of the Canada Water Act. Mr. Speaker, I want the Department of

Fisheries to have the responsibility, not the Department of Energy, Mines and Resources. On moving second reading this afternoon the Minister of Fisheries said that the fisheries are entirely a matter of federal responsibility and that the Fisheries Act applies to all Canadian waters. The Fisheries Act is the key to the control of pollution because it does apply to all Canadian waters.

• (8:50 p.m.)

The minister has said that as far as pollution is concerned, living resources may well be our first line of defence. If this is true, it is no justification for the introduction of the Canada Water Act which I believe was only for political reasons introduced because the public was becoming aroused on the subject. I wonder, Mr. Speaker, whether the government really wants to do something about pollution? To be fair, I feel that it does, but for some odd reason it does not want to tackle the problem as a whole. Already this year five departments have introduced legislation dealing with pollution whilst another ten deal with it in other legislation.

Up to now the debate has been mainly concerned with water pollution, and naturally the Fisheries Act is mainly concerned with this aspect of the problem. But what about air pollution and soil pollution? In the areas of water management and water pollution, the Canada Water Act was supposed to do away with the bureaucratic and jurisdictional maze existing in various departments. As a member of the committee I have listened to many briefs and have repeatedly heard the remark, "It will take years for the Canada Water Act to become effective." This afternoon the minister said that he hoped this bill would be an immediate tool to deal with pollution whilst we are waiting for the Canada Water Act to come into effect. Mr. Speaker, if this bill can deal with our immediate problem, surely it can deal with all our problems.

Some hon. Members: Hear, hear!

Mr. Comeau: Must we wait for the Canada Water Act before the Fisheries Act amendments can become effective? If so, the Fisheries and Forestry Committee will require explanations. If it does have to wait for the Canada Water Act, then I suggest we have either to amend this legislation, Bill C-204, or the Canada Water Act, Bill C-144. Had the government known that the Canadian public would have become as interested in pollution matters, I believe they would have tackled the problem differently at the start. Now they seem to be caught in some sort of web. They have introduced the Canada Water Act as an anti-pollution bill but now realize it is not sufficient and that we need other amendments to complement it. They realize that there is an overlapping of departments, that a great bureaucracy is being created and that nobody is being really concerned with the over-all problem.

We still have air and we still have soil. Just the other day I listened to a television program referring to the efforts of the United States, stressing the need for a national body dealing with pollution in general. The problems of air and water pollution are inseparable. If we do not allow refuse to go in the water, the alternative is to burn it—and then there is an air pollution problem, so the whole thing is interrelated.

The Progressive Conservative Party has suggested many times that there should be a strong federal abatement policy to co-ordinate, to plan and to have ultimate responsibility in dealing with pollution. We have been advocating a need for co-ordinating action in pollution control and we have repeatedly proposed the establishment of a single federal agency called the Canada pollution abatement commission which would report to Parliament through one minister. This agency would have the single purpose of providing technical and financial assistance in pollution control to existing agencies in the federal, provincial, municipal and industrial fields. The purpose of the agency would be to undertake research programs and to co-ordinate existing programs. It could also provide emergency information and assistance where required. Some people even advocate a department of environmental control. This idea has some merit, though I do not know whether it is really necessary.

Mr. Speaker, will the bill before us deal with situations such as the recent *Arrow* incident? Will the Department of Transport still have to look after such incidents? Will the Department of Transport be concerned about the fish in Chedabucto Bay? Just last summer a tanker can aground off the coast in my riding. I immediately made representations to the Department of Fisheries to send an inspector in order to make sure there was no oil leakage and that the lobster grounds were not contaminated. The department reassured me on these points. I did not take the matter up with the Department of Transport because I thought the Department of Fisheries should

look after it. The bill before us should take the lead, Mr. Speaker, and it should not depend on the Canada Water Act nor the Northern Inland Waters Act. Water pollution should be dealt with by the Department of Fisheries. As the minister has repeatedly stated, we should allow the fish to live.

I repeat that I support the part of the bill that is strong; but I wonder, if we can act immediately on water pollution under this bill, why we cannot act permanently under it. Clause 5 of the bill deals with marine plants, and I commend that section which I have studied with great interest. It is of particular interest to me because in my area there is a great Irish moss harvesting industry. This legislation was probably introduced in consultation with the provincial Minister of Fisheries, Hon. John Buchanan, because he is very concerned about it.

In conclusion, Mr. Speaker, I reiterate that I support those parts of the bill that are strong. I hope the committee will amend it so that it will take precedence over all other bills and the Department of Fisheries will have effective control in dealing with pollution. I believe the Minister of Fisheries and Forestry is sincere and I hope he does not have to wait until Bill C-144 becomes law.

• (9:00 p.m.)

I hope he can go at it himself and take the initiative, as he did in the past couple of years when dealing with a matter that affected the fishery in certain parts of Canada. I agree with the minister that we have the necessary tools to deal with pollution and that we really need these amendments or changes. Of course, we need a great deal of money to put them into effect.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I suppose it is almost totally unnecessary for every member of my particular political bent to take part in the debate going on at the moment. I listened to three of my colleagues and a number of other hon. gentlemen take part in the debate. Having listened with great interest to my colleagues, I can say that I have been more than interested in the totality of their remarks which have covered the situation entirely. Having said that, I suppose I ought to sit down. However, I concur in all those remarks, especially in those of the hon. member for South Shore (Mr. Crouse) who made one of the best speeches I have heard in the House in a long, long time.

Some hon. Members: Hear, hear!

Mr. Lundrigan: He stated very definitely the opinion of the party he represents and exactly the views that I myself hold. It is interesting to examine this piece of legislation before us, Bill C-204. I believe we now have four ministers in the act; we have a front-line of four in the House. I have been trying to figure out how the other members of the cabinet could in some way or other find some constitutional excuse to become involved with legislation in the area of pollution. What will the Minister of Communications (Mr. Kierans) do to become involved in this field? What will the Solicitor General (Mr. McIlraith) and the Minister of Labour (Mr. Mackasey) do? There must be some areas these ministers can move into with respect to pollution legislation. It seems it is the "in" thing now for ministers to bring in legislation in this particular area. It is as popular for ministers to move into this area as the yoyo was a few years ago.

I am not going to be critical of the bill; I think it is a good bill. It is a very simple piece of legislation; there is very little new in it. I guess the minister would be quick to point out, if I were to say there is nothing new in it, that it gives the minister a jump on the polluter in the sense that he can now demand that the potential polluter be forced to adopt certain procedures before causing pollution, whereas before this legislation existed—and we assume that it will obtain passage—a polluter could commit the act of pollution, after which he could be brought to task. The minister could point this out.

I have looked at the definitions in the bill and seen what is meant by pollution. I see, for example, that the previous legislation gave the minister authority to move in, prosecute and bring to task the people who were responsible for the tremendous amount of pollution which has taken place in almost every lake, stream and river in the Canadian nation up to the present time. Having looked at the bill, I am not overly impressed with the definition of intent. I will be much more impressed with the department's actions, based on the legislation. I suppose every Canadian over the years would have been more impressed if the government had taken more action to prosecute people who committed offences in this area.

I notice that the hon. member for South Shore this afternoon observed that the upper limit of the fine for anyone guilty of infringing the legislation is to be $5,000. I do not know why the minister built that limit into

the bill. Perhaps I am misinformed and not totally aware of all the intentions of the bill, but it seems to me that is a pretty small sum for a large company such as Erco of Canada, or any other large company which has been tried and found guilty of polluting, to pay. Even $5,000 per day is very little for them. On the other hand, it would be a pretty heavy fine for someone who is gutting codfish.

On looking at clause 6 of the bill I notice that there is reference to dragger operations off the Newfoundland coast. I do not think any member of the House will disagree with the need for that clause, because these draggers have been wreaking havoc in Newfoundland. Forcing them to stay outside the three-mile limit is a good thing, and I commend the minister for his thinking. This is in line with the commitment he made to the fishermen of Newfoundland and Atlantic Canada who have been plagued by these inshore dragging operations. I beg your pardon—I see the 12-mile limit is mentioned. This is commendable.

I was absolutely appalled at the statements made by the minister today and in his previous speeches about his department being in a position to police pollution. I believe that is the correct phrase and I believe I am quoting the minister correctly. He said the Department of Fisheries is now in a position to police pollution throughout the nation. If I were to say that this is unadulterated nonsense, I would not wish to be unnecessarily unkind to the Minister of Fisheries (Mr. Davis).

There are in Canada two major problems in this area. The first stems from the lack of intention on the part of the government to move decisively into this area. Pollution is becoming a real political issue and everybody, I think, wants to get into the act, including myself. A serious problem results from our not having the personnel who could police pollution.

The minister said this afternoon that there is in the Department of Fisheries an administrative arm that has the personnel and competent people to deal with pollution. He mentioned, I believe, river guardians and various officers who could move in as a team and deal with these problems.

No doubt he wants to leave the impression that we have an army of people ready to move in to catch offenders and bring the guilty to justice. Just to indicate the true state of affairs, may I say that last year there was a drastic reduction in the budget for river guardians and lake police, if you want to call them that. I am referring to officers and guardians who are involved in apprehending offenders. We had a drastic reduction in the budget in this area. I cannot give the exact figures, although I have them in my office. I remember that there were reductions in some parts of Canada of almost 50 per cent in the number of guardians and people competent and capable of enforcing the law in this area.

May I talk about a river system I am familiar with? How would anyone like to see a beautiful river system such as the Gander River system, which includes a lake that is 25 miles long—and very beautiful it is—and a piece of very precious property belonging to the Canadian nation, inadequately policed? Several small rivers feed into that lake, and running out of that lake are 30 miles of beautiful river. This is one of the most prosperous pieces of salmon river, if I may say that, that we have.

Last year we had on occasions two guardians supposedly responsible for guarding the whole of the lake and river system. There ought to be many more than that responsible for this system. To bring this matter down to earth, may I say that I have fished on this river as a salmon fisherman since 1961 and never have I been asked to produce a licence, simply because nobody has been around to ask me to produce it.

Looking around now I see several hon. members in this House who have gone to my province and fished for salmon, and I hope many more will go back in future and fish on that beautiful river system. I doubt whether any of those hon. members have ever shown a licence to anybody on that river. We have two people who are expected to police approximately 400 square miles or more of property. That is totally impossible. I say this to indicate that the minister is not telling the whole story when he says that his department is capable of policing pollution in Canada.

An hon. Member: Shame!

Mr. Lundrigan: That is one of the major problems; we do not have sufficient people in this field. Last year $16 million were devoted to research into spawning and hatcheries, yet the budget for the provision of these guardians was reduced. I listened to all the great proclamations of the Minister of Fisheries, the minister—what's his name; the green minister who has been piloting the Canada Water Act through the House—the Minister of Energy, Mines and Resources (Mr. Greene), the minis-

ter who has messed up the Indian Affairs Department so beautifully, and to all those ministers who were so actively bragging about these great efforts.

• (9:10 p.m.)

The budget this year is exactly the same as that for last year with respect to research and development aspects of the Canadian fishery. Members of the Standing Committee on Fisheries and Forestry admit that there has been a reduction in the Department of Fisheries. They are becoming very concerned in that department because they cannot do the kind of research and development and provide the protection that is necessary. If I recall correctly, we have had an act in force since 1964. I am not an old politician. If I remember correctly, in 1964 there was a proclamation by the then Prime Minister and the Premier of a province on the east coast stating that we should be the same as Iceland and other countries. It was suggested that we set up a shield or an umbrella around the provinces on the east and west coasts of Canada so that the provisions of the Fisheries Act could be enforced, and thereby keep out foreign vessels. At that time I felt that no foreign vessel would be allowed inside the 12-mile limit; there was to be tremendous protection for our fishery resources. This has been going on for the last six years. My point is that we can spend all day talking about the intent of the government and the intent of the legislation in 1964—the intent of Bill C-204—but it is of no avail unless Canada is willing to enforce the rules and regulations which exist under the legislation.

An hon. Member: It's window-dressing.

Mr. Lundrigan: An hon. member shouted, "It's window-dressing". That could be the result of this piece of legislation. I challenge the minister on the matter of policing anti-pollution regulations. I challenge him to say in this House that there are sufficient personnel to enforce the regulations in this bill. Who is going to police the Canadian coasts? The minister is familiar with the west coast. There is the same situation on the east coast. There are tens of thousands of miles of coastline, bays and inlets where small pleasure craft can go on the west coast and where hardworking fishing craft can go on the east coast.

Who is going to board these craft and control their effluent? Who is going to watch what these craft dump into the sea? In one way this is reminiscent of legislation which says you cannot replace a fuse in a fuse-box. Of course, nobody has fuse-boxes any longer. I ask the minister, who is going to enforce this law? The Canadian people are going to question the observations of the minister about his department's capability to police pollution. The minister should admit to the Canadian people that his department is not capable. More money, research and development is necessary to police pollution in Canada.

I rise to participate in this debate because of some unhappy experiences on the east coast with respect to recent pollution. I am sure all hon. members recall the Long Harbour situation where a whole bay was polluted and the livelihood of 400 fishermen was affected. These fishermen harvested good returns. People who had been making a decent living last year were faced with a whole bay of dead fish. The complete story was never told and I do not intend to exaggerate it because in many ways it is a dead issue.

Last year, when the Long Harbour situation was investigated, it was found to our dismay that the Department of Fisheries had acted in what I consider a totally irresponsible manner in permitting the particular plant to locate and pollute the whole environment without requiring any safeguards. I understand there was an exchange of letters and the company agreed that the effluent would be kept to a particular level of toxicity which would not be dangerous or hazardous to the fishlife. The government agreed to this. After the bay became polluted and the total fish population had been destroyed, this government department realized its mistake. There had been no built-in safeguards. The end result was that the company was forced to build centrifuges, settling-ponds and trailing-ponds to prevent pollution. The government should have assumed some financial responsibility initially and required that company to build in the necessary safeguards. In every location where that kind of industry developed, the results have been tragic so far as pollution of the environment is concerned. Thousands of Canadian citizens, not scientists or researchers, could have made that information available to the minister from experience which they gained not far from Ottawa.

There is also the *Arrow* incident, which has been the subject of many discussions in this House. A couple of days ago I noticed in the *Globe and Mail* a picture of the Minister of Transport (Mr. Jamieson) devouring nice, juicy lobster from that particular area. I

suppose the impression to be left is that there is no need to be concerned because the effect on the fisheries is negligible or non-existent.

An hon. Member: Why wasn't the Minister of Fisheries eating lobster?

Mr. Lundrigan: Last year an oil tanker got into trouble off the south coast of Newfoundland. Luckily, it was escorted to port. An oil slick had been left by a different oil company. There has never been any prosecution, athough reports indicate that tens of thousands of seabirds were destroyed off the coast of Newfoundland. No wonder the residents are having a bad year duck hunting: there are fewer birds. I use these examples to express my concern.

I am not an expert with respect to the *Manhattan*. Some members are following this matter very closely: it seems to be a reason for great concern. There is a very complex issue with regard to Lake St. Clair. I understand the figure will reach many millions of dollars before the issue is finally resolved. This pollution is affecting the fishermen as well as the tourist industry in that area. With the tourist season approaching, these people are becoming very concerned. I understand several prominent lawyers are working on the matter. Also, a situation has developed in Lake Winnipeg. A major problem has arisen in the Great Lakes. The "phosphorus kids" are beginning to make their presence felt. This is not new. I imagine there has been pollution in the Great Lakes for 50 years or longer. If the records of the Department of Fisheries are checked, I am sure evidence will be found to show that there has been a problem for a great number of years.

I have been in every Canadian province. In the last five or six years I have travelled extensively in Canada. I am not familiar with the environment in each province, but I do know that my native province of Newfoundland is one of the most pollution-free provinces in Canada. In order to attract tourists we brag about the fact that we are one of the few unmolested areas in Canada. Our province is one of the few virgin areas with beautiful lakes, rivers, streams and pounds. I wish the minister could have been with me during the Easter recess when I caught 21 eastern brook trout which averaged 12 inches in length.

Mr. Mackasey: Out of season?

Mr. Lundrigan: No, it was not out of season. I caught these 21 brook trout in about an hour. If you become thirsty when fishing there, you can drink the beautiful clear waters. One does not appreciate this situation unless he leaves and then returns. I can appreciate it because I must drive past the Ottawa River every day. I do not envy anyone who has to do that. I appreciated returning to the east coast, standing by a beautiful little lake and catching 12 or 15 eastern lake trout or mud trout. This can be done in many thousands of areas in Newfoundland today. The situation is even better in Labrador. However, things are happening which are causing concern. I doubt if my children will be able to do the things I was able to do in my childhood.

• (9:20 p.m.)

The Exploit river system was one of the most productive salmon systems on the east coast of Canada but today, I understand, it is almost completely dead. I have already asked, in committee, whether the minister or his officials would make available some of the evidence they have on the effect of pollution on the salmon population of that river. As I say, it was a beautiful system but today it is just about dead. I asked the minister whether he will conduct an investigation of the Gander system. I have received correspondence from him, and he agreed with some of my conclusions. He indicated the department did not have the funds available to enable them to conduct a major investigation, but I still believe he will be able to look into the matter up to a point and perhaps pour a few dollars into research to find out what is happening. There is scarcely a pond, stream, bay or inlet in Canada right across the whole nation where pollution will not be found to exist. This is a major issue. I support this legislation, but the minister should be given the necessary funds and authority to do the job properly. If not, let him leave it until the necessary funds are available.

Another problem has been presented by the decision to set up a petrochemical complex in Come-by-Chance. This is the news of the year; it is to be a $130 million complex. To my knowledge, Mr. Speaker, not a single piece of research has been done by the Department of Fisheries on the effect on the environment of a project of this kind. I do not say we have no need for a petrochemical plant; God knows, we need such developments, even developments of a type one would not normally want in one's backyard. But the least the government could do would be to assure the Canadian nation that an

establishment of this kind will not destroy the surrounding environment. I ask the minister to assure us that his official will look into this aspect, and that all the necessary pollution control equipment is built into the operation immediately. I am not an expert; I do not know what may be necessary. But there are many people who suspect there will be a need for strict federal control to ensure that an enterprise which might well have a potential for pollution is controlled to the maximum extent.

In the time left to me I wish to comment on the speech made by my hon. friend from South Shore. Perhaps the main point he made concerned the question of responsibility. The hon. member for St. John's East (Mr. McGrath) and the hon. member for South Western Nova (Mr. Comeau) also dealt with this point capably and eloquently, that is, responsibility for pollution control within the federal government. We have heard a good deal this year from the Minister of Energy, Mines and Resources. I sometimes have the feeling that this minister is the big boss in the cabinet where pollution control is concerned. After all, he was a candidate for the leadership and I do not doubt there is an overflow effect. His campaign met with a good measure of success and he was likely one of the keys to the election of the Prime Minister (Mr. Trudeau). Undoubtedly there are many things which go on behind closed doors and about which I can only guess.

Mr. McGrath: Give the Minister of Fisheries a rough time.

Mr. Lundrigan: I am interested in supporting the minister. Mr. Speaker, the "phosphate kid," the Minister of Energy, Mines and Resources, has been using the phosphate issue as the best political gambit I have seen since I entered politics. He has almost succeeded in convincing the Canadian nation that if we can prevent these phosphates entering our waters we shall have beaten pollution. This is a complete misrepresentation of the facts, but it is a beautiful job.

The hon. lady for Vancouver-Kingsway (Mrs. MacInnis) almost finds herself supporting the Minister of Energy, Mines and Resources in his present effort. Editorials all over the country are supporting the minister in his fight against phosphate pollution. But the fact of the matter is—and the Minister of Fisheries agrees with me—that phosphate pollution is not even a major problem; it is relatively easy to control. Indeed, phosphates are a form of nutrient which might well benefit certain species of fish. The minister himself has acknowledged this.

Here we have a minister who is responsible for a water act which may never come into effect, and if it does, he may have no control over it. Five Canadian provinces have stated that they do not intend to play any role under the permissive legislation proposed by the "green" Minister of Energy. I understand Ontario is the latest province to indicate it wants no part of this bill; they have more effective control through their own commission than through the toothless, gormless legislation proposed by the Minister of Energy. They recognize there is no money. They recognize there is a lot of political hay being made, that it will not result in the setting up of one, universal, authoritative body; they recognize it will be so diluted as a result of the discretion permitted by the act as to be totally ineffective.

Now we find the Minister of Indian Affairs and Northern Development (Mr. Chrétien) concerned in this field. Can anyone imagine the Minister of Indian Affairs having legislative authority in regard to pollution? I have been reminded of something by my hon. friend from St. John's East who spoke at the United Nations last year and recommended that control of pollution should be one of the key projects of the United Nations, recognizing in advance the extent of the problem.

• (9:30 p.m.)

My hon. friend from St. John's East reminds me that last year at the International Conference at Brussels our representative was the Minister of Transport. He brought back a report which I have in my hand. It is the statement of the Minister of Transport to the Brussels Conference on Pollution of the Sea by Oil, and is dated November 10, 1969.

When the minister returned to the House, if I am not mistaken he was questioned by hon. members and agreed he was going to bring in some anti-pollution legislation. Indeed, he is already moving in this area in regard to the regulations in connection with the voyage of the *Manhattan*.

We therefore have involved in pollution control the Minister of Energy, the Minister of Indian Affairs and the Minister of Transport. This piece of legislation, Bill C-204, has been brought in under the name of the Minister of Fisheries. The hon. member for South Shore has reminded us today that we have a

problem—a ship called "Pollution" which is being manned by three captains. I disagree with him. I contend the ship is being manned by four captains, with all kinds of other captains in the wings who will be coming forward as the years go by and the ship pulls further out to sea. One hon. member asked this afternoon in which direction the ship would be going, and somebody responded that it would be going down. I would agree with that observation.

I have read Bill C-204 and it has all the ingredients for very good legislation. I do not think there is any major change being made. I firmly believe that the only major change is that it permits the minister to act in advance in order to head off pollution. I think I am right in saying that. The legislation permits the minister to sort of head off pollution; it prevents pollution taking place rather than punishes after the event. The legislation is more preventive than punitive, if I may summarize it in that way.

Other than redefining waste and disposal of waste, I see nothing new in this legislation. In addition, I agree with the intent of the legislation. But I disagree that we are able to police pollution. Neither do I see why we must have three other ministers dragged into the fight against pollution. I have confidence in this minister; I think he is capable.

Some hon. Members: Hear, hear!

Mr. Lundrigan: The government has the constitutional authority to make the minister in charge of the Department of Fisheries responsible for pollution control. In that regard I am quoting the minister, and I am fully aware of his position. I am also aware of his interest. He is an expert in his own field. Anybody who knows the Minister of Fisheries knows that. However, I do not want to praise him too much because he is also a very modest man.

The act is a simple one. The question here is one of defining what is going to be done. It is a question of allocating resources so we can do the necessary policing, of getting the personnel to enforce this particular piece of legislation. Again I ask why we need to drag into this field the Minister of Energy, Mines and Resources, who as far as I am concerned has very little knowledge of pollution control outside of the fact that he talks a lot about the Great Lakes. Of course the Great Lakes are polluted; they have been for generations.

[Mr. Lundrigan.]

Pollution has much broader aspects than that. I am concerned about pollution of salt water, the Pacific Ocean and the Atlantic Ocean. The Minister of Fisheries' department is geared to this kind of pollution control. The department has the necessary professional staff and the departmental structure to fight pollution in the broad sense. It is also geared to fighting pollution in the specific sense in which control is now delegated to the Minister of Energy.

I also suggest the Minister of Indian Affairs has no business to poke his nose into this affair, and the Minister of Transport has enough problems of his own. It is against all sound managerial concepts and sound principles of control and authority in the field of business management, in industry—you name it—to make four or five people responsible for tackling a particular problem, one which is relatively simple to define though somewhat more difficult to police, and much more difficult to allocate resources to meet.

I suggest we do not need the Canada Water Act. The act is a nebulous document, one which is totally ineffective. The provinces do not want it and the minister cannot enforce it. The legislation has no teeth. We want pollution control placed where it belongs, under the Department of Fisheries. We want the responsibility for fighting pollution to lie with the Minister of Fisheries. I do not envy him this role because it would be a major one. I think the Fisheries Act can provide the policing, the personnel and the resources effectively to take action against one of the major enemies of modern society in this twentieth century.

I cannot close on a stronger note than to support 100 per cent the observations made by the hon. members for South Shore, St. John's East and South Western Nova in regard to some kind of single authority being vested in one minister, instead of fragmenting and dividing authority to the point where the whole government is made responsible for pollution control. We tried to get away from this sort of thing in the area of regional economic expansion and have been fairly successful. But we are now moving back to it again in the area of pollution control.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, when I heard the hon. member for Gander-Twillingate (Mr. Lundrigan) saying all those nice things about the Minister of Fisheries and Forestry (Mr. Davis) I began to wonder whether he was a Liberal backbencher.

The Minister of Fisheries made a number of statements this winter in regard to the fisheries. I noticed that they were very similar in content to one he made today and which appears in a press release. He said that healthy fish mean a healthy environment, and a healthy fishery is undoubtedly the best insurance policy we can buy in our battle against pollution in water.

I can understand why the minister makes statements of a similar nature because we have had a number of bills this session that are somewhat similar in nature. When I hear the minister speaking about fish, and so on, I cannot help thinking he had wished that Merlin the magician had touched them with his magic wand so that he really understood how the fish themselves felt and thought. From what he says, one would think he had a fair understanding of fish. I think it is reasonable to equate healthy fish with a healthy environment, and the same could be said of other statements made by the minister.

In view of the great variety of legislation dealing with pollution control that the House is dealing with at the moment, I think if I were a fish I would not be sure just which bill presently before the House was polluting me or was not polluting me. Even as a Member of Parliament I am a little confused as to which bill will deal with which part of Canada.

Mr. Dinsdale: It is all window-dressing.

Mr. Thomson: Yes. While we are all in favour of anti-pollution measures, I feel that some of these questions may work themselves out in time. At the moment it seems there is some confusion, particularly over the question of authority, as to how these particular bills are going to operate. For example, the minister suggested that the present bill would be dovetailed into the Canada Water Act. If I were a fish, I would say to him that he would probably water it down. It seems to me that some aspects of pollution control, at least, will not be as effective as would be the case if control was kept within the fisheries legislation we are now discussing. I feel that since the Canada Water Act requires the co-operation of the provinces and regional authorities, pollution control would not be nearly as effective as it would be under one authority.

• (9:40 p.m.)

I should like to mention one thing in respect of section 33A in which it is stated that the Minister of Fisheries and Forestry will have control in respect of plants in certain areas. A plant, for example, situated on the Fraser River, presumably under the authority of the Canada Water Act, could pass its effluent into the river. The effluent would then pass down into the Pacific Ocean, where it would come under the authority of the Minister of Fisheries and Forestry. It seems to me there is a conflict here. This water would come under the control of the minister after something has happened to it, and it would be his job to clean it up.

I suggest this is a backward move. I believe the reverse should be the situation and that the minister should have authority over the whole region. It would seem that the regional authority would lack the co-operation of many individuals and that the Minister of Fisheries and Forestry would have to clean up the water when it reached Vancouver Harbour or the mouth of the Fraser River. I think there might well be some conflict here. I suggest that the minister look into this particular situation to see whether or not further amendments are called for.

For a moment I should like to speak about drilling for oil off the shores of Canada because I understand this matter will be covered by some portion of this bill. I do not quite go along with members representing the Atlantic coast who say there should be no drilling at all for oil. I think his might be desirable in areas where there is a fault such as was the case in respect of Santa Barbara. I suggest that if sufficient precautions were exercised, such as adequate wellhead procedures and control measures, we could continue to drill for oil. I think that if proper procedures were followed we could drill for oil and look after our pollution problem at the same time. I believe that with the high living in society there will be some pollution risk. I am against pollution as much as anyone, but I believe we should be realistic and realize that oil will continue to be used in buses, aeroplanes and motor cars.

It has been suggested by other speakers that there should be more research in various areas concerning pollution control. It seems to me there may be some conflict in respect of our various pollution control measures. It would seem to me also that a need for arbitration in this regard might arise some time in the future unless something is done about this problem. Just the other day I noticed snow and salt on the ice of a river. Presumably this will go into the water and pollute it. Perhaps it is a little thing, but in any event it is part of the problem.

I should like to compliment the minister on the bill. I believe other people today have pointed out some of the problems in relation to it. We hope the minister will consider these suggestions and come up with amendments, not necessarily at this session—although it might be that some changes are necessary now—but perhaps next year if it should be found that changes are necessary.

There is one good thing about this bill which I should like to mention. As I read it, the control in respect of pollution will remain in the hands of the Minister of Fisheries and Forestry until such time as the regional authority comes into effect. I believe this is a very good provision. We do not know how long it will be before these various water management agencies come into effect. If we take the Fraser River again as an example, we notice that the Minister of Fisheries and Forestry has insisted on some adequate pollution controls being set up. I do not really see that the setting up of a local management authority at a later date would weaken this. Obviously, some good things will result from this legislation but I say we should continue to look at it in the long-term sense and not just for today.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I shall be very brief. I believe there is a disposition to complete the debate this evening, although I do not believe there will be time to go on to the other piece of legislation which has been scheduled by the House leader, perhaps not very wisely.

I have been interested in this debate. I heard the compliments paid to the Minister of Fisheries and Forestry (Mr. Davis). I do not think I can go quite as far as some other members did in their excitement. However, I would pay the minister one compliment. I give him credit for going as far as he has in promoting the eating of fish. This is apart from this legislation, but I know the plans he has for Wednesday night in this regard and I know of the other activities in Ottawa. I believe this is a proper step and the minister deserves credit for his efforts.

I believe the hon. member for South Shore (Mr. Crouse) has stated our case very well. Other members have also done a very good job. The powers given by this legislation are quite extensive. I hope the minister will use these powers wisely. As has been stated, we wish him well. There are two matters, however, which I should like to mention. They have to do with the Saint John River and, in a sense, with pollution.

I am sure all hon. members are familiar with the beautiful Saint John River which is famous for salmon fishing both sportswise and commercially. The first thing I mention actually happened, and the second was alluded to. In both cases there is a lesson to be learned in dealing fairly with pollution. First of all, the minister found it necessary to move in on the salmon season. I refer to the commercial salmon season in Saint John Harbour and the areas in which the federal authority has jurisdiction. Although I believe in some respects this action was necessary, I did object in this House concerning the length of the restrictions. In addition, proper notice had not been given and there was a feeling that the officials of the department were perhaps unaware of the opening and closing dates of the season.

Without going over the whole story, I merely hope that when the department begins to use this act it will give as much advance notice as possible concerning the results it hopes to obtain in changing a season, because this is very important to the commercial fishermen. I hope they will have studies made so that when they move they will know exactly what they are doing. I hope there will be full preparation and information given to the fishermen. I hope that the salmon they hope to release will get upstream, and that the accomplishments achieved will be understood by the fishermen.

• (9:50 p.m.)

The second matter I wish to raise concerns a problem that may have been presented at least in a hypothetical way in statements concerning pollution of the Saint John River in connection with such-and-such industry at its mouth. The minister will recall that I asked a question in this regard. I only mention the matter to express the hope that with the great powers he is given in this bill the minister will deal with the entire river. I hope every industry will be considered wherever it may be on the river. I hope the public will be made fully aware of what is being done by the department. These are two matters of importance to the commercial fishermen and to the employment provided by industries in the Maritimes. With these two warnings, Mr. Speaker, I wish the minister luck in his efforts on behalf of the future of the fishing industry.

Mr. Deputy Speaker: Order. I must point out to the House that if the minister speaks now he will close the debate.

Mr. McGrath: On a point of order, Mr. Speaker, I wonder if the House would be disposed to allowing the minister extra time, if he needs it, beyond ten o'clock?

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Davis: Thank you, Mr. Speaker. I am somewhat overwhelmed by some of the kind remarks expressed today about the Fisheries Department and the effective way in which it has been carrying out its duties. I hope we can have the support of all parties in the House in getting this legislation through quickly, but in saying that I do not mean that we should put it through precisely in the form in which it has been introduced. I hope we can improve on it in some way, although I am not certain how. But I am sure that some of the questioning in the committee will produce ideas whereby we can strengthen the bill still further.

I think that the Fisheries Act as amended will be a sharp instrument, a specific tool which we can use to deal with spot situations across the country. I also think it creates standards which are essentially nationwide and, as I said earlier, these will prevent the development of pollution havens which tend to exist in the economically weaker areas of the country.

The question was asked as to why the old sections of the Fisheries Act dealing with pollution had not been enforced more rigorously down through the years. The sections in question were all too embracing, all too comprehensive. For instance, anyone who threw sawdust, bark or lime into a stream could be prosecuted. As the years and decades went by and prosecutions were not laid, it became more and more difficult to enforce legislation of this kind. In other words, it withered away; it fell into disuse, and indeed we failed ourselves in not using it more effectively.

What we really need in legislation of this kind is not an absolute prohibition on everything thrown into our waters but more precise measurements of what can be thrown into water and still keep it clear, clean and useful to the fisheries, and being useful to the fisheries healthy for men and women as well. In other words, we need to know what concentrations of a whole range of materials are tolerable, and what concentrations of those materials are not tolerable.

By introducing the word "waste" into the legislation, and by defining in the regulations the concentrations of the various chemicals which can or cannot be tolerated in the fisheries waters of Canada, we will have a more precise and useful tool in legislation which can be enforced throughout the country equitably and effectively. There are various kinds of wastes, not all of which affect fish and not all of which kill fish. The Fisheries Act, as it has been administered, by and large required the evidence of fish that were killed or of fish that were seriously affected by pollutants. Not all chemicals affect fish. Phosphates in some concentrations encourage plant life in the water and may not be too detrimental to fish, but obviously they create unsightly ponds, and so on. Therefore, phosphates have to be dealt with under other legislation.

The Fisheries Act does not solve all the problems. It does not necessarily solve the problem of effluents from municipalities, but it certainly deals with most industrial pollutants. The pulp and paper industry, with some 180 mills across the country, puts the greatest single burden on Canada's rivers and streams. Perhaps 60 per cent of the burden of pollution from industry is placed on Canadian streams by the pulp and paper industry. In fact, a single mill can create as much burden on a river as a city the size of Ottawa does. We can deal in large measure with pollutants from pulp and paper mills through the Fisheries Act. We can deal with the greater part of industrial pollution from chemical plants, from most chemical processing industries, and from many mines. As I say, the Fisheries Act can be used in large measure to deal with pollutant problems which arise from industry but not necessarily from municipalities.

One hon. member mentioned a specific oil refinery to be built at Come-By-Chance in Newfoundland. We are already in touch with the people there, but I would suggest that with the amendments to the Fisheries Act we have the law behind us when we ask for information. If the plans which we discuss with that refinery, or with other refineries, do not meet the standards which our people believe are required to clean up the effluent, then with the agreement of the cabinet by Order in Council we can stop construction until the company in question agrees to

instal the type of equipment which has been proven effective elsewhere. This is the sort of thing which is contemplated in the bill.

An oil-drilling rig being set up in any of the fisheries waters of Canada would be like a new plant being built on a major salmon stream in another part of the country. We can similarly ask for their plans and their precautions, for information on the processes which they will follow in order to protect the living resources of the water. If the plans, the location and the over-all situation are such as to give the Department of Fisheries real concern, then possibly we can stop the drilling from going ahead.

Mention was made of water quality management areas. In a number of situations, particularly where there are a number and a variety of industries, where there are one or more municipalities, where there is a wide range of activities and a multiplicity of effluents we need the powers not only of one department of the federal government, namely, the Department of Fisheries, but also the powers of the Canada Shipping Act, the powers under our national health legislation, the powers under all the provincial pieces of legislation and the powers of municipal by-laws. We need the full force of all the legislative powers and administrative abilities of all three levels of government in such situations, and this in good measure is where the Canada Water Act comes in.

Many hon. members have alluded to the possibility that we could in a sense be downgrading our fisheries powers through this bill, especially with reference to the Canada Water Act and its water control management areas and agencies, but certainly as long as I am Minister of Fisheries, and as long as many of the officers of the department hold their present positions I can say that we are not going to back up one single step when we insist on proper fisheries standards. We are going to make sure that the fisheries standards still obtaining generally across the country, obtain in those areas. Some other standards, not necessarily fisheries standards, will apply as well. I would suggest that we will have cleaner water and better conditions for fish in those situations of joint enterprise, joint management and federal, provincial and municipal co-operation in the water quality management areas.

• (10:00 p.m.)

The Northern Inland Waters Act was mentioned. The powers which the Minister of

Indian Affairs and Northern Development (Mr. Chrétien) is asking for under that legislation are similar to those enjoyed by a provincial government, for example, the water right powers. A province could authorize the development of a mine and thus inadvertently authorize something harmful to the local fishery. If a dispute occurs between the Department of Indian Affairs and Northern Development and the Department of Fisheries and Forestry, there is a clause in the Fisheries Act which allows it to be resolved around the cabinet table, and if this should occur I hope the Minister of Fisheries and Forestry would carry the day in the cabinet chamber.

Mention was made that a $5,000 fine was inadequate, for example in relation to the Electric Reduction Company in Newfoundland. We did not fine the Electric Reduction Company in order to make retribution for the so-called "red herring" incident in Newfoundland. We asked the company to clean up and it met all our standards. It also finally compensated the fishermen and we expect to recover all our loans. In all, I would say the company was out of pocket nearly $2 million. The company could have avoided this with good planning at the outset.

Before I conclude I shall answer the hon. member for Gander-Twillingate (Mr. Lundrigan). With the present personnel of the Department of Fisheries and Forestry I do not believe we have enough people to police pollution across Canada. We expect to get help from other departments and municipalities but we need some more staff, particularly competent engineers with knowledge about the optimum design of treatment facilities. We also need more people on the mercury program and more of the machines developed in the last 12 to 18 months that enable us to find the parts per million of mercury in fish. Without that equipment we could never have discovered this problem.

In summary, Mr. Speaker, the Fisheries Act is a sharp federal tool and one which we can use effectively to deal with pollution problems, especially those arising in industry. We cannot solve all the problems, but we can co-operate with other departments of the government in tackling pollution on the broadest possible front. I welcome comments, criticisms and suggestions for improvement in the legislation when we meet in committee.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Fisheries and Forestry.

PROCEEDINGS ON ADJOURNMENT MOTION

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

HOUSING—SUSPENSION OF CMHC LOANS IN LARGER CITIES

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on March 13 I asked the Minister without Portfolio in charge of housing (Mr. Andras) if he could tell the House whether Central Mortgage and Housing Corporation has cut off housing loans in cities of over 10,000 population and, if so, why? I am sure the answer the Minister without Portfolio gave me at that time was, to his way of thinking, adequate to fit the needs at that particular time.

I am also certain the minister realizes that the people in the area I come from have run into a situation where there is no private money available. Contractors have made application to Central Mortgage and Housing Corporation for money and have been told there is no money under the regulation alluded to. There is no private money available for the type of condominium construction being talked about.

One of the main matters that all of us must be concerned about is that several departments of government, particularly the Department of Regional Economic Expansion, are attempting to look after various aspects concerning the whole country and trying to bring about development in some areas of Canada, whereas at the same time Central Mortgage and Housing Corporation is not permitting development in those areas which are under the jurisdiction of regional economic development programs.

I appreciate that the Minister without Portfolio in charge of housing has said to the mayor of Moose Jaw that the government is looking at this matter and will examine any proposals that proponents may wish at this time to bring forward. At the same time we realize that it is not good enough when only two areas in Saskatchewan are to be entitled to any consideration under this legislation. Actually the two areas, Regina and Saskatoon, will only obtain assistance under this legislation if a real need is shown.

This is really the reason behind my raising this question tonight. I wish to learn from the Minister without Portfolio whether he really is looking at the situation and whether areas across Canada which need assistance now can expect some in the near future. I say this because there is no way that some areas may obtain assistance from private lenders. It is common knowledge that Central Mortgage and Housing leads the way with lending. It appears that private lenders sort of bend their ear to learn what Central Mortgage and Housing Corporation is doing, and under those conditions private lenders will look at any enterprise or any type of construction only if it fits into plans concerned with regional economic development. I hope the Minister without Portfolio will give an assurance that he will look at this matter in a very serious manner and will say, in the short time he has available, whether the government will be looking at legislation which will assist communities across the nation in this regard.

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I will do my best to respond to the hon. member. In the allocation of the $854 million that I described on February 2, I believe, in this House I made the point that section 40 loans, which generally speaking are loans at market interest for individual people building or acquiring houses, had been reduced very considerably from previous years and stand this year at $110 million.

The purpose of this was to allocate much more money and give much greater emphasis to social housing programs such as public housing and section 35 and section 16 housing, those being so-called limited dividend, non-profit operations. We then put $570 million into those other programs, $265 million going into public housing, and this is in turn distributed to the various provinces. That, I think, includes an acceptably generous allocation to the province of Saskatchewan which certainly matches the request that the province had made. It, in turn, totally administers this money in terms of selecting priority of location and the submission of projects, and we do not turn them down except for obvious reasons involving concentration density, style, physical form and so on. But it is totally at the discretion of the provincial government to allocate that money to the various communities.

Proceedings on Adjournment Motion

• (10:10 p.m.)

In addition to that, $105 million was put into section 16 housing. I grant that the initial distribution of that money is going into large urban centres at the present time, but we will be moving beyond that stage a very few weeks from now and going to other areas. On top of that, $200 million is being reserved for what I describe as innovated experimental projects. It will be distributed among the other urban centres, including the one to which I think my hon. friend is referring. There is still much to unfold, but essentially one cannot do both. We cannot look after all the private sector through loans made under section 40 and at the same time have all the social housing programs that we want, even with an increased but still restrained budget. If the hon. member can give me specifics in private communication, I will be delighted to do my best to see if there are any particular problems I might help smooth out.

HISTORIC SITES—ACQUISITION OF RESIDENCE OF SIR ROBERT BORDEN

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I do not know whether I will get a response from the Minister without Portfolio (Mr. Andras) in charge of housing or the Parliamentary Secretary to the Minister of Fisheries and Forestry.

When I addressed this question to the Minister of Indian Affairs and Northern Development (Mr. Chrétien) on April 15, it was not by any means my first inquiry about this historic house. Last session on October 22 I inquired about the matter from the Prime Minister (Mr. Trudeau). His reply was of that flippant kind which is becoming his trade mark of parliamentary response. Earlier this session, on February 18, I asked the Secretary of State (Mr. Pelletier) about it. He, as unofficial minister of culture, might have been expected to show some interest in historic matters. His reply was that the Historic Sites and Monuments Board was the responsibility of the Minister of Indian Affairs and Northern Development. Since I had known this for a good many years, his evasive condescension did little for my edification or for the preservation of the residence of one of our great Canadian figures.

My next step was to write the Minister of Indian Affairs and Northern Development, and finally to question him last week. I must say in appreciation that he gave me the courtesy of a direct reply, although I regret its content. It is slightly humiliating to have a

[Mr. Andras.]

spokesman of the government of this great and prosperous country declare that the country could not afford to purchase a house, the residence of one of its most illustrious Prime Ministers.

In all our talk of Canadian content, cultural nationalism and distinctive Canadianism we fail miserably if we ignore those historic figures who contributed to the uniqueness of our national heritage. Robert Borden, the only head of a democratic state to preside over a government through the whole course of the Great War, is one of our most neglected public men. His leadership within the British Empire, as it was then called, and his primacy in ushering in the era of the Commonwealth made up of self-governing dominions rather than sub-independent colonies was truly remarkable and is well documented by scholars.

He was certainly our first great internationalist and he played an important part in the peace treaty discussions after bluntly advising the British government that Canada had no intention of sending half a million of its finest men to the front and not be given even a back seat at the peace councils. While he was Prime Minister, and after his vigorous insistence, our right to membership in the League of Nations was recognized and we became a charter member of that body which for a short time was considered the hope of the world. Without disparaging the efforts of others or overpraising his, Borden can properly be called the architect of Canadian independence. Throughout a long career both before and after his prime ministry of 1911 to 1920 he was respected as a man of honour, dignity, probity and courage.

It is deplorable that it is confessed as being beyond our means to acquire for the nation the residence, Glensmere, in which Borden lived from 1907 to the time of his death in 1937. If the government cannot raise the money, it might have taken some initiative in staying the wrecker's hammer and private citizens more interested than the government might have come to the rescue had they been given a chance.

While we have the former homes of Prime Minister Mackenzie King and Sir Wilfrid Laurier, Earnscliffe the residence of Sir John A. Macdonald, our first Prime Minister, is the property of another government. The British would, of course, have co-operated had Canada shown the interest it should have in acquiring the house. At least there is still a chance to reclaim Earnscliffe, but Glensmere

will be levelled, apparently with neither a blush nor a sigh on the part of a government which can find millions for contemporary propaganda, causeway approaches that do not approach and other "economic" extravaganzas too numerous to mention. It is not a very edifying spectacle to see this fine house already partially destroyed. It is too much a part of the familiar tale of downgrading the great men of our own past.

At a time when some imagination might have been used, we find unconcern. Instead of acquiring Glensmere and perhaps using it as part of the International Development Research Centre, we let it be destroyed and presumably another high-rise apartment block will take its place. Such structures, while useful, are neither typically Canadian nor historically significant, but the homes of our great men are. We can have plenty of apartment blocks: we will never again have a Glensmere so rich in memories of a great man in a great and formative age of our history.

Perhaps, although I have little confidence in its effect upon a government so insensitive to so many things, I might close with the advice given us by a great Canadian, Joseph Howe, who did have a sense of history:

> A wise nation preserves its records, gathers up its muniments, decorates the tombs of its illustrious dead, repairs its great public structures and fosters national pride and love of country by perpetual reference to the sacrifices and glories of the past.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): I do not intend to try to answer in the eloquent terms which the hon. member has used, Mr. Speaker. This house was designated by the minister as being of national historic significance upon recommendation of the Historic Sites and Monuments Board of Canada. The board recommended that every effort be made to preserve the building and that it be marked by a plaque. Having studied Sir Robert Borden's life a little, I think he might have been glad that the area where he lived should provide accommodation for so many people in need of homes.

It is my understanding that shortly after the designation of the house by the minister as being of national significance, it was sold by the previous owner, a foreign government, to a developer for use as the site of a high-rise apartment building. This developer has, I believe, now commenced demolition of the house and it is my understanding that the roof is already partially removed and the interior gutted. I am sorry to say, therefore, that it is in fact too late to preserve the house.

It should be mentioned that designation of a house by the minister as being of national significance does not imply any obligation on the part of the minister to ensure that such a building continues to be preserved, although it does imply an effort at preservation. A number of buildings of this kind have been thus designated by the minister in recent years and very often the act of designation has ensured the preservation of the house by local interests. In some instances co-operative agreements have been entered into with local groups whereby costs of preservation have been shared.

In this instance it is, unfortunately, too late to take any appropriate action. Even if action had been feasible it must be pointed out that it would have cost almost half a million dollars to acquire the house and ensure its preservation, and this sum would have been disproportionately high in relation to the total budget of the National Historic Sites Service. I would further mention that the Historic Sites and Monuments Board of Canada is well aware that the department operates on a very limited budget for historic preservation, especially at this time. The budget for contingencies is necessarily a very small one and there were no funds available at the time the emergency arose concerning the demolition of this house.

Mr. Bell: Did you get the plaque back?

Mr. Knowles (Winnipeg North Centre): Shame!

Motion agreed to and the House adjourned at 10.21 p.m.

HOUSE OF COMMONS

Tuesday, April 21, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

HOUSING

STATEMENT ON PUBLIC HOUSING PROGRAM

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I have indicated to hon. members on a number of occasions that I would be making a statement on the public housing program after some extension of our own reviews and after I received the opinions of each of the provinces. I am pleased to say that, having completed that review of these submissions, I am now in a position to describe some steps which I propose to take which, I am confident, will improve public housing in quantity and quality.

Hon. members will recall, perhaps, that when I presented the Central Mortgage and Housing Corporation budget on February 2 I indicated that our commitments for the low-income housing program, including public housing, in 1969 were for some 27,500 units and that this figure was expected to rise to some 35,000 units in 1970. Taken together, commitments for these two years would amount to approximately 75 per cent of all production undertaken in this field in the last 20 years.

As hon. members are aware, a substantial portion of these starts, to which I have just referred, will come from the $200 million fund temporarily reserved for the building of low-income housing of a kind or in circumstances that are likely to yield information or experience which could lead to innovations in the field. About this program I will have more to say within the next few days.

My own studies in all parts of Canada have given me a deep concern, which I know is shared by many hon. members, not only about numbers of units built or projected but about the form, quality, location and management of public housing, and about equity in the matter of rents. It is with these considerations in mind that we have decided on a number of steps which will have a significant effect, not only on the quality of new low-income housing but on the more effective utilization and management of existing units.

I would like to deal first, since it is a matter of immediate concern to a great number of people, with the matter of rents for public housing. We have proposed to the provinces a revised rent-to-income scale which we feel reflects more closely the realities of the cost of living and the housing market. These proposed revisions are intended to correct deficiencies in the present rent structure. They have, of course, to do with income as it is used in calculating rents; they have to do with security from sudden rent increases; and they have to do with family needs. Just to put these proposals into some kind of prospective, I would like to review briefly the existing situation.

At the present time tenants in public housing who are receiving welfare payments pay an amount of rent that is equal to the shelter payments which they receive from the welfare agency. All other tenants pay a rent based on their income. The present rent range is from 16.7 per cent of the low to 30 per cent of the higher level of income. I might say that this 30 per cent rate was set at a time when families who had reached this level of income could perhaps have reasonably been expected to find accommodation for themselves on the open market. It was expected that at this stage of income they would move into other accommodation.

In the present market, however, many families, particularly those with a large number of children, have a great deal of difficulty in finding other accommodation when they reach the income level at which the 30 per cent rate comes into effect. They are, by necessity, obliged to stay on in public housing even though they are paying what amounts to an exorbitant and uneconomic rent. In two provinces, Ontario and Newfoundland, this situation has resulted in provincial action to freeze the rents of such tenants.

• (2:10 p.m.)

Since the level of assistance is based on the simple criterion of income, it imposes a substantially greater burden on a family with five or six children than on a family with one

or two children. Although their incomes are the same, the large family is less able to pay.

Another inequity arises when a wife goes out to work. Her earnings over $250 a year are regarded as family income and the excess is added to the husband's in arriving at a rent. On the other hand, no compensation is allowed for one-parent families who do not have this opportunity for additional earning power by virtue of being engaged in the whole process of a parent looking after children. For all tenants, under the present scheme additional earnings normally result in additional rent charges almost immediately.

These are some of the inequities which the government would like to deal with in proposing revisions in the matter of rents. For public housing we are proposing that:

1. Family size should be taken into account in arriving at rents. Taking a family with two children as the base, we are proposing to make a reduction in the rent for each child over that number—for instance, a reduction of $2 per month for each child after the second.

2. Working wives should be allowed to make substantially more than $250 a year before it is considered as income for the purpose of calculating rent. We are proposing a level of $900 a year.

3. Similarly, incomes of one-parent families, for the purpose of calculating rents, would be reduced by up to $900.

4. The portion of income required as rents from families in the higher income ranges would be reduced from 30 per cent to 25 per cent, to avoid imposing undue hardships on tenants, particularly large families, who cannot find alternative accommodation in the present market.

5. The final revision which we are proposing in the matter of rents is the method of adjusting rents as income changes. At the present time, public housing tenants must notify the housing authority as soon as their income increases and the rent is then raised. We feel all tenants should be entitled to enjoy the security of a fixed rent over a reasonable period of time. For this reason we are prepared to have tenants report their incomes at intervals of two years, at which time any increase in rent would be put into effect as a result of any increase in income. On the other hand, a reduction from the income at which the two-year lease rent was negotiated can be reported at any time and the rent reduced an appropriate amount.

[Mr. Andras.]

Before I leave the subject of rents, Mr. Speaker, I would like to emphasize that any revisions will be undertaken after consultation with the provincial governments and with their co-operation. We recognize the need to build the widest possible latitude into these arrangements so that they will be flexible enough to meet particular local conditions. Some provinces may for various reasons wish to charge rents that are not precisely in accord with the federal scale. In this event it is proposed that the federal subsidy would be either half of the project losses, or half what the losses would have been if the federal scale had been adopted, whichever is less.

We have already held a round of talks with provincial authorities and the initial response indicates a substantial measure of agreement with the objectives we are endeavouring to achieve.

I now wish to deal with some other steps which we are taking which will have a particular effect on new and existing low-income housing.

1. Social and recreation facilities, in both new and existing public housing projects, will be eligible for federal assistance. The precise nature of these facilities will be negotiated with the agencies concerned. By way of illustration, I am talking about such things as community meeting halls, day care nurseries, paramedical physical facilities in homes for the elderly, and the like.

2. Duly constituted public housing tenant associations will be assisted with grants. As these groups develop, it is apparent that for the most part they are reasonable, articulate and informed. We feel that this kind of self-help activity deserves to be encouraged.

3. A more progressive attitude to public housing tenants' rights will be encouraged with the publication of a revised and, I hope, more sensitive manual for housing authorities, which will include a model lease.

4. In co-operation with the provinces we shall undertake formal training programs in public housing management. We are already providing continuing assistance through our research program under part V of the National Housing Act for the further study of public housing performance standards and user requirements.

While it is our firm resolve to increase the quantity of housing for low-income people as expeditiously as possible, no opportunity will be overlooked for improving the physical qualities of new developments to overcome objections to some past projects. Indeed, many

of the design proposals for developments undertaken in 1969 were altered to incorporate recommendations of the task force and suggestions presented to me during my own investigation of projects in all parts of the country. Certainly, for example, there has been strong criticism of the practice of providing public housing primarily in the form of high-rise apartment buildings.

Mr. Bell: Order! Come on! What is going on?

Mr. Andras: I am in complete sympathy with this concern. The high-rise apartment is admirably suited to the requirements of many prospective public housing tenants, especially elderly citizens who want very much to remain where the action is in the downtown areas of our cities. But such accommodation in its present form is not always the most suitable for families with a number of small children. To the best of our ability we must strive to meet these diverse requirements.

We are stressing the need for careful consideration of the location of new public housing units in terms of proximity to transportation, schools, hospitals and other community facilities, and in terms of the dispersal, wherever possible, of public housing throughout the community so as to achieve better integration, avoiding the heavy concentrations that result in physical and psychological ghettos.

Mr. Bell: On a point of order, Mr. Speaker, I challenge the minister; he is deliberately trying to cut into an opposition day by giving us a lot of boloney about housing. I think he should learn the rules of this House. If the government wants co-operation from us, this is not the way to get it. These statements are traditionally made on Wednesdays. This is a subterfuge used to cut into an opposition day. We demand our time. We ask that the minister cut short his speech about nothing.

Mr. Speaker: I assume the hon. member is referring to the provisions of Standing Order 15. While the Standing Order requires comments made by members speaking on behalf of parties in opposition to be brief, it is silent as to the length of statements made by ministers. At the same time, it seems to me the spirit of the rule is that since the statements made by way of comment on the part of members of the opposition are to be brief and to the point there is at least a moral obligation on the part of the minister making a statement under the terms of Standing Order 15 to be relatively brief.

I am sure all hon. members appreciate the importance of the statement being made by the minister, but I believe they will all agree with the Chair that the minister should give some thought to shortening what remains of his statement.

• (2:20 p.m.)

Mr. Andras: Thank you, Mr. Speaker. Quite frankly, I was not aware of the implications the hon. member has raised. As far as I am concerned I thought there had been contact made with the opposition party housing critics. Certainly I have been requested a number of times during the last several weeks to make this statement, but I apologize if there is an inconvenience to the House. I hope Your Honour will permit me to continue to tell the House about what I have understood to be a very necessary change that is to be made.

We are very conscious of the need for dispersal of public housing units throughout the community for the reasons that I have given.

The provincial governments generally are in agreement, although they have asked that we avoid precise limitations, by regulation, of the number of units to be clustered by community size. I think I am inclined to agree that it is really not practical to be an absolutist in matters like this.

Another factor that has been given consideration is the whole question of tenant organization and involvement in the management of public housing. We are quite prepared to encourage this sort of thing as a matter of social justice, and we think in turn it will encourage a much healthier outlook and climate all round and remove a major cause of some of the difficulties. Along that line, CMHC has funded a series of seminars on tenant participation through the Canadian Welfare Council which will identify the principles and problems involved.

In conclusion, I should like to assure hon. members that we are moving with all possible speed to meet the urgent requirements of Canadian families who lack the means to acquire proper accommodation. I appreciate the suggestions made by hon. members in all corners of the House in regard to this serious problem. At the same time I should like to say that we are now getting some housing on the ground and are proceeding with a continuous process of innovation and evaluation.

Indeed, in the broader sense the greatest weakness of the public housing program is

that it is necessary, and at best is an attempt to treat the symptoms rather than the causes of a deep social problem. In this whole process we are deeply involved with our partners at the provincial level. Ideas are being proposed, discussed and modified, and I shall be keeping hon. members informed of the progress of these negotiations as they develop.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I believe that in all fairness I should give some credit to the minister for providing me with this statement at least one hour prior to the time I was to reply to it. I hope his colleagues on the treasury benches will realize that if the minister can do this with a statement of this length they should be able follow suit and do the same thing, rather than make statements to the media outside the House.

For me to comment in great depth or offer severe criticism of the statement of the minister would certainly be like being against motherhood. Keeping that in mind, I believe that some changes have been made which have been long awaited by many people who are concerned about the problem of public housing.

I recall that the housing task force had quite a bit to say about this matter. It indicated that the federal government should initiate a thorough research program into the economic, social and psychological issues of public housing, and went on to recommend that until such a study is completed and assessed, no new large projects should be undertaken.

The psychological area of public housing has given many people concern as to the need for, and perhaps the value of, public housing. I hope the minister is making some in-depth study of this question. I believe that what is needed in public housing is reform. There is no doubt that what the minister has done is some indication that this is happening.

The new rent scale will, of course, affect many people. In particular, the ability of a tenant to remain on a fixed rental for approximately two years will give him some hope that he will be able to move away from public housing and acquire his own home, though with rising interest rates and the lack of mortgage money I do not know how this is going to be possible.

I am particularly pleased to note that there has been some recognition of the value of tenants' associations. I believe this will bring them closer to where the action is. With groups such as this which want some participation in their ultimate destiny increasing in number throughout the country, it is important that the government recognize the effect they can have now and I believe will have in the future. I am also pleased to note that the government has indicated some awareness of the social and recreational needs. This is important in relation to public housing.

Finally, this action is something that we have all awaited. I hope the new policy will give many people who are faced with the very severe problem of housing an opportunity at least to be in a position to acquire housing at reasonable rental scales and perhaps lead in the future to the opportunity to own a home.

Mr. John Gilbert (Broadview): Mr. Speaker, I should like to preface my remarks by sincerely thanking the minister in charge of housing for his courtesy and co-operation in sending his statement to the housing critics of the different parties. The statement outlines a rearrangement of and addition to public housing guidelines which will result in some improvement, but it also portrays a fundamental misunderstanding of the problem by the minister, namely, the urgent need for a massive increase in public housing starts. The guidelines do not do anything for the 100,000 families across Canada who are on the long waiting lists for public housing. In Toronto alone there are 18,000 families, representing about 60,000 people, waiting for public housing.

The first and greatest need is more public housing. At the present time public housing represents less than 2 per cent of total housing starts in Canada, whereas in England and in European countries public housing represents between 30 per cent and 40 per cent. Even in our neighbour to the south it represents 5 per cent. Surely our immediate target for public housing should be between 15 per cent and 20 per cent of all housing in Canada.

Public housing has been considered a welfare concept. It should not be considered so. Housing should be a basic human right of all Canadians. They are entitled to clean, warm shelter at a reasonable cost. The minister cannot and should not say, as he did in his statement, that public housing is a regrettable necessity. He has missed the point of what housing should be.

My second major criticism is that the statement does not reflect the need for a

proper mix of public housing with private, co-operative and senior citizen housing regardless of income levels. This integrating principle is absolutely necessary if we are to rid ourselves of the social stigma concept of public housing. We cannot continue to build segregation of the poor accommodation and increase the social problems caused by ghetto-like housing developments.

My third criticism concerns the failure to include the right of tenants to purchase public housing units. This would have given a pride of ownership and a stake in the community.

If I may comment briefly on the guidelines set forth, the rent scale revisions are welcome. There is a need for constant review so that the situation outlined by the minister will not occur again. The reduction of the percentage of income for rent from 30 per cent to 25 per cent is a progressive step. The increase in additional income allowable to working wives from $250 to $900 is a little short of $20 a week. The experts claim that the amount should be more like $1,500 which would represent $30 a week income for a working wife.

• (2:30 p.m.)

The two-year lease will give security of tenure and security of fixed rents. The social amenities are a decided improvement. Social and recreational facilities must include day care and counselling centres. The participation of tenants' organizations in management is social justice in action, and I add as a caveat that this participation by tenants must be meaningful rather than mere tokenism.

The minister in charge of housing has been a student of studies. He has always replied in the House when questioned about problems that he and his officials are studying these matters and that they are under consideration. I would hope the minister and his officials would graduate to men of action and that the minister's next statement would include a massive increase in public housing, a proper mix of public housing and other types of housing, and the right of tenants to purchase these public housing units.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have not had the opportunity, like some of my colleagues in the opposition, of studying the statement made by the Minister without Portfolio in charge of housing (Mr. Andras), prior to its delivery in the House, since I have not received a copy of it. A brief inquiry revealed that no member of our party has received a copy of that statement.

In any case, Mr. Speaker, I lent an attentive ear to the long statement of the minister, and I must say that I cannot support wholeheartedly all the proposals. The minister has rather shown the powerlessness and the incompetence of the government to run the country, as well as the setback it suffered in its fight against poverty, since the poor—the ever-present poor—will be compelled to live in so-called low-cost housing projects.

Mr. Speaker, a few months ago, I had the opportunity to visit a house build by the Central Mortgage and Housing Corporation and the National Research Council. In this experiment, the most inexpensive material and labour were used. The inside of the house was finished with paper, just plain paper, not real wall-paper, in short with materials such as would not be used for animals. The purpose of the experiment was to bring down the cost of homes in order to house the poor and the disadvantaged.

We now tell these people who have no hope of owning anything in their country, because of the present inefficient administration, that low-cost houses will be built to accommodate them.

It is clear that we must do something. The minister's statement will perhaps help to improve the fate of these people. However, no measure of a permanent nature is announced. In a country so rich in resources, and many unemployed, it is unconceivable that it should be impossible to house the population properly.

[*English*]

ORAL QUESTION PERIOD

POST OFFICE

CONTRACT TRUCK TRANSPORT OF MAIL IN CITIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had a question for the Postmaster General but I suppose in view of its importance to the government of the country the Prime Minister will be in a position to deal with it. When the mail trucking contracts expire in Toronto, Vancouver and other cities, is it the intention of the government to put these contracts out to tender or to have the Post Office take on this responsi-

bility as in Montreal? Could the Prime Minister indicate what the policy of the government is in this regard?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in the absence of the Postmaster General I might indicate there is no fixed pattern of choice between having mail deliveries made by a private contractor or by the Post Office service itself. If there is adequacy of private contractors sufficient to have a realistic form of competition and satisfactory services, this likely would be preferable.

FORMULA TO AVOID LABOUR RELATIONS DIFFICULTIES

Hon. Robert L. Stanfield (Leader of the Opposition): In those instances where it is still the policy of the government to call for tenders, has the minister or the government any formula to be applied in order to deal with problems which may arise such as those which arose in Montreal, particularly regarding job and union security, and also in view of the mounting unemployment in the larger cities? Has the minister a formula to avoid these difficulties or is it the intention to bull ahead and run the risks?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, we are endeavouring to work out a formula which will satisfactorily take account of all the interests involved.

MONTREAL POSTAL DISPUTE—PROSECUTION FOR CRIMINAL ACTS

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to address a question to the President of the Treasury Board. Is it the intention of the government to lay charges against those people who have slashed tires and caused other damage to government trucks?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as the law provides, charges will be laid for criminal actions where the culprits can be apprehended.

[*Translation*]

MONTREAL POSTAL DISPUTE—NUMBER OF LAPALME EMPLOYEES HIRED BY GOVERNMENT—RE-OPENING OF NEGOTIATIONS

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a supplementary question for the President of the Treasury Board.

[Mr. Stanfield.]

Could he tell the House how many of the former employees of G. Lapalme Inc. have been hired by the government to ensure mail delivery in Montreal?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I have no information on that.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to ask a supplementary question to the President of the Treasury Board.

Could he tell us whether he intends to resume negotiations with the employees of G. Lapalme Inc. in order to bring about a satisfactory settlement of the postal dispute in Montreal which is of serious concern to the citizens of that city?

Mr. Drury: Mr. Speaker, the government has received no such proposals.

Mr. Asselin: I believe the minister has not understood my question, Mr. Speaker.

Does the minister intend to reopen negotiations with Lapalme Inc. employees who have not been integrated into the Public Service and with the labour union in order to find a solution to these employees' problem?

Mr. Drury: Mr. Speaker, I believe the government has clearly explained its attitude to the labour union and if these explanations are not satisfactory, the union is free to ask for clarification.

Mr. Valade: Mr. Speaker, I should like to put a supprementary question to the Prime Minister.

Can he tell us whether he intends to maintain in office the present Postmaster General or whether he has decided to make some changes following the difficulties which occurred in the postal service?

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT INCREASE—POLICY RESPECTING RESTRAINTS AGAINST INFLATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister. Arising out of the meeting which he and his colleagues had yesterday with the Association of Mayors and Municipalities in which the mayors, including Mayor Sidney Buckwold of Saskatoon, pointed out that major urban projects had ground to a halt and that there is a serious unemployment situation in the cities, I should like to ask the Prime Minister whether, in light of these representations, the government is pre-

pared to ease some of its restraints against inflation in those regions of Canada which are most adversely affected by unemployment at the present time?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as the hon. member knows, the government has stated several times that it has policies for the parts of Canada which are more adversely affected by the fight against inflation. These are policies of assistance to them. As I indicated in the House by statistics the other day, these policies are working as satifactorily as we can hope for at the time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that this improvement has apparently not communicated itself to the mayors of the cities—

Mr. Hees: Nor is it evident in statistics.

Mr. Douglas (Nanaimo-Cowichan-The Islands): —and in view of the fact that a long list of economists, including Senator Lamontagne and the Economic Council of Canada, have disagreed with the government's policy of combating inflation by increasing unemployment and creating an economic slowdown, may I ask the Prime Minister whether he or the Minister of Finance would be prepared to make a statement on motions justifying the economic proposition upon which the government is operating and indicating what economists of this country, if any, are in support of the government's policy?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would be very pleased to consider the request of the hon. member. We think that the policies we are following are gradually working in Canada.

Mr. Muir (Cape Breton-The Sydneys): But nobody else does.

Mr. Benson: Nobody likes to see high unemployment in the country. I should point out, however, that the March rate of unemployment in 1970 has been equalled or exceeded in 8 of the last 13 years, and the record was set when the Conservative party was in power in March, 1961.

Some hon. Members: Oh, oh!

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Prime Minister. As a recent national survey of leading economists of the country has shown that 83 per cent of those contacted agreed that combating inflation by increasing unemployment is not the most effective method of attacking this problem, would the government give a sober second thought to its policy of restricting economic activity and give serious consideration to the effectiveness of offering tax incentives to reduce costs and keep price rises within prescribed government guidelines?

Mr. Trudeau: When the hon. member asks us to take a sober second thought I should like to tell him that our first thoughts are sober.

An hon. Member: What is that snide remark?

Mr. Trudeau: The economists to whom the hon. member referred are not in any agreement on the kind of policy they would like to see the government implement. There is total disagreement amongst them as to the remedies which should be followed in order to combat unemployment, but I think all of them understand that the choice is not between more or less unemployment but between inflation and unemployment and combating inflation and greater unemployment. We are doing the latter. We are fighting inflation in order to prevent greater unemployment.

Mr. Hees: I have a supplementary question, Mr. Speaker. As the one thing on which almost all of the economists agree is that increasing unemployment is not the most effective method of combating inflation, I wish to ask the Prime Minister whether he would consider another suggestion which has received no denial from anyone in the country at present—

Mr. Speaker: Order, please. It seems to me the hon. member is reiterating the question he asked a moment ago.

Mr. Hees: I will carry on with the new question. I simply ask the Prime Minister, since he has refused to give any consideration to reducing unemployment, how much longer must bullheaded stupidity direct government policy in this very important matter?

Mr. Speaker: Order, please.

An hon. Member: You are an expert in that field, George.

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Minister of Finance whether he will not consult the statistics and, in view of the amount of unem-

ployment in the Atlantic provinces according to the last two DBS reports, will he not try to persuade the Prime Minister that in fact the slowdown policies have had a detrimental effect on these areas? Would he also not agree that the government of which he is a member is the first government in the last 13 years at least, and perhaps in Canadian history, to deliberately try to increase an already high rate of unemployment?

Mr. Speaker: Order, please.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I was interested in the observation of the Prime Minister that the government had given a sober thought before beginning its policy. In view of the strong criticism of Mr. Robert Bourassa, an economist in part, that this government's policy is all wrong and that he is going to do everything he can to change it, would the Prime Minister say whether or not Mr. Bourassa has voiced his objections to the Prime Minister directly and what suggestions he has made in order to arouse a sense of responsibility by this government?

Mr. Trudeau: He has not voiced his criticisms to me directly, and in this particular case I prefer to look to the authority of the Conservative financial critic.

Mr. Diefenbaker: You prefer him to Bourassa?

Mr. Trudeau: He testified before the Standing Committee on Finance, Trade and Economic Affairs last November and supported the government's fight against inflation.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

Mr. Lambert (Edmonton West): Bourassa is not your man, then?

Mr. Speaker: I would prefer to see the provincial election carried on in another forum.

Mr. Lambert (Edmonton West): You renounce him.

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, instead of these lightweight answers that the Prime Minister has given—in fact, I could call them flyweight—would the Prime Minister now say whether he agrees or disagrees with the strong and bitter denunciation by Mr. Bourassa of the policies of the federal government which he says are entirely wrong and are creating unemployment?

[Mr. Stanfield.]

Mr. Speaker: Order, please. The hon. member for York South.

Mr. Diefenbaker: Mr. Speaker, the Prime Minister—

Mr. Speaker: Is the right hon. gentleman rising on a point of order?

Mr. Diefenbaker: Yes, Mr. Speaker. The Prime Minister does not require assistance. He was getting ready to answer the question but Your Honour would not allow it.

Mr. Speaker: Order, please. The Chair has recognized the hon. member for York South.

Mr. David Lewis (York South): I wish to ask the Prime Minister or the Minister of Finance a supplementary question on this subject. The other day the Prime Minister suggested he was anxious to reach the point at which the inflationary psychology will have passed. I should like to ask either of these two gentlemen to tell the House and the people of Canada exactly what criteria they are using, at what point they think they will have licked the inflationary psychology, at what level of unemployment they think that will happen, whether they are awaiting a reversal of the price trend, or at what point Parliament and the people of Canada can expect the government to reverse its policy?

Mr. Speaker: Order, please. I will allow the right hon. Prime Minister to reply to the question briefly. It seems to me that the hon. member is now asking for a general statement of policy. I doubt whether this kind of statement can be invited at this time. However, the Chair will allow the Prime Minister to reply to the hon. member's question.

Mr. Diefenbaker: And when he is at it I wish he would reply to mine too.

Mr. Trudeau: I agree with you, sir, that this would require a reiteration of the policy statement which might be quite lengthy, but if I can sum up in capsule form an answer to the hon. member it would be to the effect that inflation will cease in Canada and the government will cease having to combat it when Canadians generally realize that prices and incomes should not rise any faster than productivity. In other words, they cannot take more out of the economy than they put into it, and obviously that point has not yet been reached.

Some hon. Members: Hear, hear.

Mr. Lewis: May I ask the Prime Minister a further supplementary question. Can he

inform the House what agency is studying and measuring productivity at any given time and the other factors to which the Prime Minister referred so that he will be able to judge the point at which these policies should be changed?

Mr. Speaker: This information might be included in the statement which will perhaps be made in reply to the hon. member's first question.

Mr. Lewis: On a point of order, Mr. Speaker, I have not asked the Prime Minister to make a statement. I asked him what agencies he has to measure the points he has referred to. It seems to me it is a very simple question.

Mr. Speaker: Order, please. The question, of course, is limited in scope. What I suggest to the hon. member is that I have to revert to my first comment in connection with his original question, that he was inviting a general statement, and perhaps the kind of information he is seeking in the supplementary might be included in a statement made in reply to the first question.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to direct to the Prime Minister another supplementary question about his views concerning inflation and unemployment.

Could he tell us whether the 100,000 jobs promised by Mr. Bourassa in Quebec would be liable to encourage inflation?

[*English*]

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate on a supplementary.

UNEMPLOYMENT INCREASE—REPLY TO REPRESENTATIONS BY FEDERATION OF MAYORS AND MUNICIPALITIES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to ask the right hon. Prime Minister whether, in view of the representations made by the Federation of Mayors and Municipalities, he could give the House the position taken as a result of the representations and state whether any encouragement was given to the federation as to easing of the money supply or easing of funds for capital projects across the nation?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, I should like to ask the Prime Minister whether the definition he just gave of an absence of inflation, the goal toward which he is heading, has been met in this country in any year since the war?

Mr. Speaker: Order, please. I would not think that question is in order. The hon. member for Gander-Twillingate on a supplementary.

An hon. Member: Which war?

Mr. Lundrigan: In view of the fact that the Prime Minister has indicated that he gave no encouragement to yesterday's representations by the Federation of Mayors and Municipalities could the Minister of Finance indicate whether in fact any major policy change in regard to finance is to be announced? In view of the fact that the government's anti-inflationary measures to help people on fixed and low incomes are having the effect of rendering these people unemployed and consequently having the reverse effect of the aim and intention of the government, can he indicate whether there is to be any major policy change in view of the effect of the anti-inflationary program?

Hon. E. J. Benson (Minister of Finance): Without agreeing with the conclusion reached by the hon. member, I should like to indicate that when there is to be a change in the monetary and fiscal policy of the government it will be announced in the House or by the Governor of the bank in the usual manner.

UNEMPLOYMENT INCREASE—ACTION TO SPEED UP PROCESSING OF INSURANCE BENEFITS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister which is related to a question I asked in the House last Friday. Would the Prime Minister request the Minister of Labour, at the first opportunity when he returns to the House, to make a statement on motions as to his intentions with regard to cleaning up the mess in the Unemployment Insurance Commission? This is necessary so that all those who are unemployed can receive their benefits on time without having to wait five or six weeks or, in some cases, two months.

Mr. Speaker: Order, please.

Inquiries of the Ministry

SHIPPING

SINKING OF "PATRICK MORRIS"—STATIONING OF SEARCH AND RESCUE VESSEL IN SYDNEY HARBOUR

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Transport. Is he in a position today to report on the tragic marine disaster off the Cape Breton coast involving the *Patrick Morris* and the *Enterprise* and the terrible loss of life?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am sure that all members of the House share the very deep regret that we feel over the loss of these lives. I can advise the House and the hon. member that as of two o'clock this afternoon I have been informed that the vessel which rescued the crew members from the *Patrick Morris* had almost reached the point in Quebec which apparently was the only one to which it could go. The crew will then be flown to Sydney and at that point the interrogation will begin as to the cause of this unfortunate accident.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, a supplementary question. Having just returned from North Sydney and being familiar to some extent with the tragedy involving the *Patrick Morris* and the *Enterprise* which resulted in the loss of 12 lives, I ask if the minister is willing to reverse his most recent decision and recommend that a proper and qualified search and rescue vessel be stationed in Sydney harbour?

Mr. Jamieson: Mr. Speaker, an issue like this always raises questions of this sort. I have explained to the hon. member that I am concerned about this but I must say in all seriousness that on the preliminary reports I have it does not seem that it would have made any significant difference in this case.

Mr. Muir (Cape Breton-The Sydneys): That is a matter of opinion, Mr. Speaker. In view of the fact that I and a large number of organizations in the area concerned, as the minister knows, have been for a number of years pressing transport ministers Pickersgill, Hellyer and the present incumbent to have a search and rescue vessel stationed in Sydney harbour, would the minister not agree that this continued loss of life must stop and, further, that the $10 million loss in the sinking of the *Patrick Morris* would have provided several search and rescue vessels and also might have prevented the loss of these lives which cannot be replaced?

[Mr. Speaker.]

Mr. Jamieson: Mr. Speaker, I do not quarrel with the hon. member's contention; as I have said we are looking into this matter. It is exceedingly difficult to know where search and rescue vessels should be located in view of the vast amount of coastline that we have. However, I think there is some validity in the general proposition advanced by the hon. member.

SINKING OF "PATRICK MORRIS"—REPLACEMENT OF VESSEL

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Transport, Mr. Speaker. As a consequence of the loss of the *Patrick Morris,* what contingency plans does his department have to replace this vessel and also to survey the whole situation of traffic crossing Cabot Strait, especially in the peak months of July and August, and the provision of additional vessels to carry this traffic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, a search is under way at the moment on a worldwide basis to see if a replacement vessel can be obtained quickly. Some inquiries have also been made to determine how long it would take to build a replacement. I am told that a sister ship of the *Patrick Morris* may be available in a Scandinavian country. We are exploring all possibilities to get a replacement as quickly as possible.

SAFETY AND MANNING CONDITIONS ON WEST COAST TOWBOATS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a related question arising out of the matter of safety. The minister has referred to the terrible tragedy off the coast of Nova Scotia. What about the dangers of unsafe towboats in British Columbia to which his attention has been drawn? The workers claim that their safety is unprotected. I should like to ask the minister if he has something to say in this connection, having recently been in Vancouver, and whether the government is prepared to produce the report setting out how these American-owned vessels are refusing to follow Canadian marine safety precautions and are forcing men to work under circumstances which are unsafe and unjust?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I visited Vancouver on the weekend and held lengthy meetings with the representatives of the Canadian Merchant Seamen's Guild and the towboat owners association. I made the proposal to them that the head of the Canadian steamship inspection service would be sent to Vancouver to head a joint committee, made up of both union representatives and towboat owners, to make representations as to appropriate safety standards. I undertook to make available to them the report to which the right hon. member refers. Subsequently the Minister of Labour has concurred, and this is being done beginning tomorrow.

Mr. Diefenbaker: Mr. Speaker, it is only fair to thank the minister. I brought this matter to his attention last week and the promptness with which he acted should be a model for some of his colleagues.

AGRICULTURE

USE OF 2-4-5T HERBICIDE

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to address my question to the Minister of Agriculture. In light of reports that the chemical weed killer 2-4-5T has been proven to cause gross birth malformations and even death to mice and rats in recent independent Canadian and United States experiments and in view of the fact that the United States has banned the use of this chemical, will the minister review the reported position taken recently by his department and ban the use of this herbicide in Canada?

Hon. H. A. Olson (Minister of Agriculture): Well, Mr. Speaker, I do not believe it would be useful to comment upon the press report on the registration status of the herbicide 2-4-5T. I have had a report from an interdepartmental committee on pesticides which includes, among others, a representative of the Food and Drug Directorate. The report I received on February 5 is to the effect that, in light of available scientific evidence, no change in the status of 2-4-5T as a herbicide is anticipated. I am also informed that the status of this herbicide, along with other agricultural chemicals, continues to be reviewed in light of this new information.

Mr. Gleave: A supplementary question, Mr. Speaker. In light of the minister's statement and since in Viet Nam the use of this herbicide has been discontinued by the United States army, which is not noted for its humanitarian activities, what investigation or research has the department currently under way in order to find acceptable alternative chemicals for the purposes for which 2-4-5T is presently used?

Mr. Olson: Mr. Speaker, 2-4-5T is used in very limited areas in Canada for some very specialized purposes, and the information we have is that there is no residue from the use of it in the food being produced in those areas. In other words, there is a nil residue. I have to rely on the evidence given to me by the people who are experts in studying these things on a continuing basis.

Mr. Gleave: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member for Oshawa-Whitby.

INDUSTRY

CONSIDERATION OF FOREIGN OWNERSHIP IN MAKING INCENTIVE GRANTS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. In view of the returns provided to me by the government showing that fewer than 43 per cent of industrial financial grants have been awarded to Canadian owned or controlled firms, can the minister indicate whether the government is reviewing these programs with regard to making foreign ownership one criterion in the allocation of government financial incentives or grants?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): No, Mr. Speaker, but the hon. member must bear in mind that these statistics must be studied in relation to non-resident ownership of Canadian industry. In the industrial areas where these grants are made it is estimated that non-resident ownership is at 63 per cent level at this moment.

TRANSPORT

USE OF LACHINE CANAL AS PLEASURE CRAFT MARINA

Mr. Raymond Rock (Lachine): Mr. Speaker, I have a question for the Minister of Transport in reference to a Superior Court decision that the Seaway Authority keep the 145-year old Lachine Canal open. It is claimed that the Seaway Authority has not received the canal from Parliament or from the Governor General in Council. Would the minister have his

department take over the operation of this canal from the Seaway Authority and then study the possibility of using it as a large pleasure craft marina for the greater Montreal area?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have not yet seen the judgment of the court with regard to the order in question and I prefer to refrain from answering until I have done so.

LABOUR CONDITIONS

PROVISION OF EMPLOYMENT FOR LAID-OFF ELECTRONICS INDUSTRY WORKERS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I wish to direct a question to the learned, and laconic Minister of Industry, Trade and Commerce. It is on a matter about which I warned him some time ago, namely, the serious decline in the nation's electronics industry resulting from government policies. In view of the fact that Canadian General Electric has announced the closing out of its tube section in Toronto and the laying off of over 160 employees, is the minister now prepared to do something to arrest this enforced unemployment?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I gave a very lengthy answer to the hon. member a few weeks ago on that very subject. I will send the hon. member a copy.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Macquarrie: A supplementary question, Mr. Speaker. I doubt whether the loquacity of the minister will be of much help to the unemployed. As Minister of Industry will he now try to do something in order to find alternative employment for those people who are unemployed because of government policy?

Mr. Pepin: Mr. Speaker, I answered that very aspect of the matter. I said at the time that, contrary to the views of the opposition, it was not possible to freeze Canadian industry, that industries will have to change, as circumstances were altering; that, in this case, employment had been developed in other areas but for other people. I covered that aspect very well, I thought.

[Mr. Rock.]

POLLUTION

OIL—ACTION RESPECTING SITUATION IN TORONTO HARBOUR

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Minister of Transport. Has he identified the source, which although not overly serious could be potentially so, of the oil pollution problem evident in Toronto harbour this morning. If so, what action has been taken and what steps are at present being taken to clean this up before it has an opportunity to spread?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I must confess that this particular spill has not been brought to my personal attention.

An hon. Member: What?

Mr. Jamieson: I can be quite certain, however, that the inspection teams we normally have on the Great Lakes and on the St. Lawrence Seaway are using the normal routines.

Mr. Bell: Where are the Toronto members?

An hon. Member: Where is Phil Givens?

AGRICULTURE

FARM PRODUCTS MARKETING AGENCIES—DELAY OF LEGISLATION PENDING STUDY OF TASK FORCE REPORT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture. It is a follow-up of the question I directed to him last Thursday relative to a telegram directed to him by the Winnipeg Grain Exchange which urgently requested that further action on Bill C-197, the bill dealing with farm products marketing agencies, be held in abeyance until the report of the agricultural task force is tabled and studied. Has the minister now received this telegram, and what was his reply to this reasonable and logical request?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have received the telegram. I am not sure of the precise reply but it will be to the effect or along lines that I answered the other day, that there will be an opportunity for a great deal of study of this bill when it goes to the Standing Committee on Agriculture, which I hope will be very soon.

NATIONAL DEFENCE

U.S. B-52 FLIGHTS OVER SASKATCHEWAN AND ALBERTA—COMPLAINTS BY FLYING CLUBS

Mr. John Burton (Regina East): Mr. Speaker, my question is for the Minister of National Defence. Has the Department of National Defence requested or put into effect a change in the route or direction of Strategic Air Command B-52 flights over Saskatchewan and Alberta as a result of many protests, particularly those by flying clubs in Saskatchewan and Alberta?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the answer to that question is no, but I understand that the United States authorities have agreed to suspend weekend activities in order to accommodate the flying clubs.

Mr. Burton: May I direct a supplementary question to the Minister of Transport, Mr. Speaker. Has the Department of Transport given consideration to the representations made by flying clubs in Saskatchewan on this matter?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, but the matter comes under the direct responsibility of the Minister of National Defence.

HOUSING

SUBSIDIZING OF MORTGAGE INTEREST AND RENT PAYMENTS OUTSIDE OF PUBLIC HOUSING

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question to the Minister without Portfolio in charge of housing arises from his earlier announcement, but it deals with other categories in the low income groups. Would the minister indicate whether Central Mortgage and Housing Corporation will be permitted to move into two fields of subsidization, first, the subsidization of mortgage interest and, second, the subsidization of payment of rent outside of public housing?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, with regard to the first part of the question, we are still examining that matter. With regard to the second part, we have offered and reiterated the offer last June that provincial governments go out and acquire existing housing, either on a lease or purchase basis. The federal subsidy would then apply. That is in the public housing program but it makes available accommodation under these circumstances without our having to wait for new buildings to be developed.

MEETING WITH PROVINCIAL AND MUNICIPAL REPRESENTATIVES TO INCREASE HOUSING STARTS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a question to the Minister without Portfolio in charge of housing. Would the minister meet with his counterparts at the provincial level and with representatives of the Association of Mayors and Municipalities in order to formulate some speedy plan which could be invoked whereby housing starts could be increased and more money placed within this sector? Perhaps employment could be increased at the same time. Would the minister take that into consideration?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, as always I will take everything the hon. member says into consideration.

VETERANS AFFAIRS

COMMEMORATION OF 25TH ANNIVERSARY OF VE DAY

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. I wonder if the minister would disclose, for the benefit of the House and veterans across Canada, what plans are being made to commemorate the twenty-fifth anniversary of VE Day both in Canada and in Europe?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I made a statement before the appropriate committee on Thursday in which I explained the very impressive and colourful ceremonies which we are planning for May 8 here in Ottawa. I repeat that a delegation of about 20 Canadians will join with the citizens of Holland in the first week of May to commemorate the liberation of Holland, which liberation was greatly assisted by the Canadian forces 25 years ago.

Mr. James A. McGrath (St. John's East): A supplementary question. Will the Members of Parliament in that delegation include the hon. member for Humber-St. George's St. Barbe?

Mr. Dubé: Mr. Speaker, there will be two Members of Parliament, both from the other side. One is the opposition house leader and the other is a member of the loyal rump.

Inquiries of the Ministry

AIR TRANSPORT

NORTHWESTERN ONTARIO—EXPLOITATION OF NATURAL RESOURCES BY U.S. OPERATORS

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, my question is for the Minister of Transport. What steps, if any, are being taken by the Minister of Transport or his department to prevent American fly-in operators from exploiting the natural resources of northwestern Ontario, leaving behind nothing more than their empty beer cans? They are robbing our own Canadian air carrier entrepreneurs of much needed business.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I suppose I could insist that they at least buy Canadian beer.

Some hon. Members: Hear, hear!

Mr. Jamieson: I want to assure the hon. member there have been many representations from his area. I have made some inquiries and have asked officials to make recommendations that hopefully will solve the problem or at least make it a little less difficult than at present.

Mr. Penner: A supplementary question. Will the minister agree to suspend the 9-4 licences now in effect until a thorough investigation has been carried out to stop this exploitation?

Mr. Jamieson: I do not think it is within my competence to do that. I repeat that I will do everything I can.

INQUIRY OF THE MINISTRY

Mr. Thomas S. Barnett (Comox-Alberni): I wish to address a question to the Minister of Energy, Mines and Resources. Does the minister realize that he was unmasked in absentia yesterday during second reading of the fisheries amendment bill? Many of us do not like what we see, namely the minister being established as the czar of water quality in Canada. On reflection, will the minister agree that if we are going to have such a czar it should be the Minister of Fisheries?

POLLUTION

CONVERSION OF GOVERNMENT CARS TO NATURAL GAS FUEL

Mr. Steven E. Paproski (Edmonton Centre): I wish to update a question which I asked on January 28, 1970 as recorded at page 2937 of *Hansard*. My question was addressed to the Minister of Supply and Services and I quote:

> In view of the report by the general services administrator of the United States, does the Canadian government plan a conversion of government cars to natural gas fuel which trials have shown to be successful in eliminating pollution?

Hon. James Richardson (Minister of Supply and Services): There is no plan to make such a conversion in Canada, Mr. Speaker.

FISHERIES

LAKE ERIE—REQUIREMENT THAT PERCH FILLETS BE FROZEN AND HELD BEFORE SALE

Mr. William Knowles (Norfolk-Haldimand): My question is directed to the Minister of Fisheries and Forestry. In view of the fact that the ban on sales of fresh perch has been lifted, why is it still necessary that fresh perch fillets be frozen and held before they can be sold, depriving the fishermen of this lucrative market?

Hon. Jack Davis (Minister of Fisheries and Forestry): I do not know about the freezing aspect. We are continuing to check all shipments of fish from Lake Erie to make certain before they reach the market that there is no question of mercury contamination.

Mr. Knowles (Norfolk-Haldimand): A supplementary question, Mr. Speaker. In view of the problem with Lake Erie, is it possible for the department to speed up the testing program as it is delaying the sales of fish by these fishermen? Is there some way it could be speeded up from the two to two and a half week delay which is now being experienced by some fishermen?

Mr. Speaker: The hon. member is now making a statement or representation which he must assume will be taken into account by the minister. The hon. member for Winnipeg North Centre.

Mr. Nesbitt: Mr. Speaker—

Mr. Speaker: Order, please. The time for questions has expired. In view of the fact the Chair has recognized the hon. member for Winnipeg North Centre, perhaps he might be allowed a question.

BANK OF CANADA

EXTENSION OF SUPPLEMENTARY RETIREMENT BENEFITS TO FORMER EMPLOYEES

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

to the Minister of Finance. On March 24 the minister responded favourably when I asked him if he would discuss with the officials of the Bank of Canada the possibility of supplementary pensions for retired employees of the bank. Is the minister yet in a position to report on his discussions with those officials?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I did raise the matter with the Governor of the Bank of Canada. I have not received his comments to this point.

Mr. Knowles (Winnipeg North Centre): I trust it is being pursued.

Mr. Benson: Of course, Mr. Speaker.

Mr. Speaker: Orders of the day.

Mr. MacLean: Mr. Speaker, I rise on a point of order before Orders of the Day are called. If it meets with the approval of the House, I suggest that speeches today be limited to 15 minutes each with the exception of the initial spokesmen representing each of the four parties who would be permitted the time provided in the rules.

Mr. Macdonald (Rosedale): That is quite agreeable on this side, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Agreed, Mr. Speaker.

Mr. Speaker: Is it agreed?

Some hon. members: Agreed.

• (3:20 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—CRITICISM OF AUDITOR GENERAL BY GOVERNMENT

Hon. Robert L. Stanfield (Leader of the Opposition) moved:

That this House condemns the government for criticizing the Auditor General of Canada for carrying out his duties according to law; and reasserts its support of the principle of unfettered parliamentary scrutiny of government expenditures including the right of the Auditor General to comment on the failure of the government to make expenditure in strict compliance with parliamentary appropriations and to report on these and any other cases he feels should be brought to the attention of Parliament.

He said: Mr. Speaker, one purpose of these opposition days is to let Parliament protest flagrant failures or abuses of the government. As Your Honour can appreciate, it is difficult to know where to start.

Some hon. Members: Hear, hear!

Mr. Stanfield: The government has deliberately brought insecurity and fear into the homes of hundreds of thousands of Canadians with its determination to deliberately create unemployment. I was shocked to learn from the Prime Minister (Mr. Trudeau) this afternoon that he intends to continue with this course until the country achieves complete and absolute price stability. I mention this only as an indication of how completely unrealistic that goal is.

An hon. Member: The Prime Minister just left the House.

Mr. Stanfield: It is clear, Mr. Speaker, that the government will not stop this policy with regard to unemployment despite the views of Senator Lamontagne, Robert Bourassa and the unanimous opposition of this House as well as the unemployed outside the House. We devote this day to an area where we may have a better chance to stop the government, where we can try to stop the clear attempt to throttle the power of the Auditor General. Statements by ministers and answers to questions by the Prime Minister make it clear that the government intends to restrain the Auditor General if, indeed, the government is not out to get him. His crime is that, as Auditor General, he is doing his job.

Some hon. Members: Hear, hear!

Mr. Stanfield: The government will discover that it is all alone in wanting to pull the teeth of the Auditor General. Most Canadians believe the Auditor General is not only doing a good job, but a necessary job. I serve notice now that we will do everything in our power to protect and maintain the powers of the Auditor General as a watchdog—

Some hon. Members: Hear, hear!

Mr. Stanfield: —until there is a guarantee that he will not lose a single power to scrutinize Government spending and to blow the whistle when that money is badly spent.

The recent statements are not, of course, the first attempt of this government to harrass the Auditor General and make it difficult for him to carry out his responsibilities. The government has frequently ignored his recommendations. It has reduced the salary classifications of some, at least, of his staff so that it has not been possible for him to hire people with the qualifications he considers necessary. The President of the Privy Council (Mr. Macdonald) says there are vacancies on the Auditor General's staff.

Mr. Macdonald (Rosedale): I never said that.

Mr. Stanfield: It was the President of Treasury Board (Mr. Drury). I do not want to be unfair to the President of the Privy Council.

Mr. Macdonald (Rosedale): Thank you.

Mr. Stanfield: There are bound to be vacancies when the salaries authorized do not permit the hiring of people with the necessary qualifications. This, of course, has impeded the ability of the Auditor General to carry out his responsibilities to the extent he would wish. So, his office has been abused and his powers are under attack by this hypersensitive government. Indeed, he has been attacked so vigorously that today most Canadians are sure that Maxwell Henderson must be right.

For the record, let us review the latest assault on the Auditor General. On March 25, speaking on the C.B.C. national news, the President of the Privy Council said, and I quote:

> We do not regard it as his responsibility to criticize the underlying policy involved in certain decisions. That is Parliament's responsibility, and the government's, as approved by Parliament, after deciding on policy. We don't think it is the Auditor General's prerogative to comment on that.

Then, on April 11, the President of Treasury Board, speaking about the Auditor General on the C.B.C. television program "Encounter", said—and I quote him as reported.

> He has expressed his view as to the appropriateness of some government policy. In this sense he is pitting his judgment as to sound business practice and sound government policy against the government's and, not unnaturally, you would not expect the government to agree with his judgment in every instance. I wonder, myself, whether the Auditor General should cast himself in this role, or whether we should look for, really, another kind of person to be Auditor General.

Some hon. Members: Shame.

Mr. Stanfield: I hope somebody on the government side will tell us specifically what the Auditor General has done wrong. On Monday of last week, the Prime Minister (Mr. Trudeau) admitted under questioning that the government intended to bring in new legislation concerning the Auditor General. I had reminded the Prime Minister that the Auditor General had been pressing the government to introduce legislation to strengthen his office and to define his duties in a more satisfactory way. I asked the Prime Minister why, instead of proceeding with this legislation, he and his ministers preferred to pick at the Auditor General and undermine his prestige and authority. The Prime Minister answered, and I quote:

> It is not a question of either/or, Mr. Speaker. We believe we shall be able to do both.

There is the Freudian slip. I asked why he did not proceed with the legislation rather than pick on the Auditor General and undermine his authority, and the Prime Minister answered he thought they would be able to do both. Judging from the Prime Minister's answer he intends to make it easier to harass, or escape from, the Auditor General; he intends to give his present attack on the Auditor General the force of law. This would represent a typical manœuvre on the part of the present government. The Auditor General has been asking for a long time for a review of the legislation governing his office. He has drafted his own proposals for consideration. There is a grave danger that the government will use this request as cover for legislation which will strip him of the power necessary for his office. Then, I suppose, Information Canada will be set in motion to explain that this is what the Auditor General had wanted.

This is not the occasion on which to discuss the contents of legislation. But let the Prime Minister and the President of the Treasury Board understand that if they try a trick like that, not even Information Canada will be able to help them. What members opposite are saying, in effect, is that since the government cannot stand the heat, Mr. Henderson should get out of the kitchen. I presume they want to lock him up in the cellar where no one can see him or hear him.

There are proper and above-board ways in which the government could deal with an Auditor General if it believes he is wrong. If it believes he is incompetent, it has the right to introduce in both Houses a motion for his dismissal. If it believes he is wrong in his criticisms of the government, it has a right, of course, to answer those criticisms in detail before the Public Accounts Committee. It is unforgivable that the government should begin an attack on the Auditor General under the table to undermine and harass an officer of this House whose functions are of the most basic importance to this country.

Some hon. Members: Hear, hear.

Mr. Stanfield: Clearly, the government has under-estimated Mr. Henderson, just as they have under-estimated the strength of support his office commands in the country at large.

This appears to be another case where the strategy was planned by the President of the Privy Council. I expect that in the debate today we shall get another round of double-talk from the government in defence of the indefensible. But one thing is clear as this debate begins—it is so clear that no amount of double-talk can obscure it: the real reason the government wants to muzzle Mr. Henderson is that it cannot take criticism. The government would rather waste $40 million than have somebody point out the waste so that they could stop it. They have the mentality of a man who, when accused of a crime, tries to fire the policeman.

Consider some of the double-talk which has already come from the government side. The President of the Treasury Board defended his attack on the Auditor General in terms of a switch in government emphasis to "effectiveness rather than efficiency". I find that hard to understand. It sounds very much like something from Alice in Wonderland. This questioning of the work of the Auditor General is based, according to the President of the Treasury Board, upon the emphasis the government is placing on effectiveness rather than upon efficiency. Perhaps somebody else could explain that. This statement by the minister is taken, as a direct quotation, from the "Encounter" transcript. Whatever it means, I do not think Parliament can ignore such a statement. It would be bad enough for a government to renounce a claim to efficiency; it is the only claim the government had. Now, it is gone, like the just society.

• (3:30 p.m.)

I suspect that in fact there is meaning of some sort hiding behind the minister's words, which are effective, perhaps, in persuading the people that the government is doing its job when it is not doing its job. After all, efficiency implies you are doing a job. It is the difference between image and action. The minister's statement, whatever else it means, clears away any doubt that might remain about the central role of Information Canada and image politics in the program of this government. The minister's statement is quite a principle! It is very flexible.

Another example of double talk is the distinction being made between matters of policy and what I suppose must be called matters of non-policy. As I understand it, that is the distinction that the Prime Minister and the President of the Privy Council would make, and I suppose there is no one better qualified on questions of non-policy. What does this distinction mean? The Prime Minister suggested the other day he thought it was wrong that the Auditor General should criticize the payment made by order in council of some $180 million to automobile companies. He said it was wrong to have this kind of criticism from the Auditor General, presumably on the ground that this was a deliberate decision to let the $180 million go.

In other words, when waste is deliberate, the watchdog should be quiet. When waste is deliberate the Auditor General has no right to comment on it, because it then becomes a matter of waste by government policy. That is quite a principle! It will not be long now before the government will argue that the decision to refit the *Bonaventure* at high cost was a deliberate decision, and therefore should not be investigated. I suppose that if horses were put on the payroll as a matter of deliberate policy, this too would be beyond the comment of the Auditor General.

The government knows that if it is going to close the door on the Auditor General with regard to questions involving policy decisions, it is virtually closing the door completely. After all, this distinction between policy and non-policy from this point of view is not really a distinction at all; it is a dodge that is designed to strip the Auditor General of power without appearing to have removed his power.

As Professor Norman Ward pointed out in his special correspondence in the Ottawa *Journal* last night, other governments have tried a dodge like that before. This government is original in very few respects. Professor Ward is the author of the standard text on government spending in Canada, called "The Public Purse", and he makes it clear that there is ample precedent for an Auditor General to be concerned with auditing questions involving policy decisions. That has been the practice of the Auditor General whenever and wherever that office has been effective.

This concept goes to the very heart of the power of the Auditor General. Without that power he is just another accountant. With the power to report to the public, through this House, the cost of decisions by the goverment on policy matters, he is a public servant that the government cannot ignore and one of the very best friends that the taxpayer has in Ottawa.

Criticism is, of course, a function of the opposition and one which is more necessary today than ever before. But I do not hesitate

to admit that an effective opposition needs the help of an independent and fearless Auditor General, backed up by an adequate staff. Even with the staff the Auditor General has today we can see what he is reporting, and we can suspect without being too suspicious that we are only seeing, and that he is only finding, the tip of the iceberg.

I suppose someone will say something about all the help the government is giving the opposition in the matter of research staff. I hope that nobody is going to suggest that this is an effective substitute for an efficient and fully powered Auditor General. In any event, I hope nobody on that side of the House will keep repeating this sort of thing in view of the fact that the Minister of Finance (Mr. Benson) is spending more money during the course of a few months on answering letters that he has received in connection with the white paper than is available to all opposition parties for research in a full year.

Under this government there is a tendency to secrecy, the use of task forces and confidential studies by consultants which, generally speaking, are not made public. Usually, we do not get the background papers that lie behind government decisions. I say that this policy of secrecy and confidentiality certainly must not be extended. For example, the government has never made public the estimates upon which its decision to abandon the Prince Edward Island causeway was based. That was a high-handed and arrogant attitude shown toward a little province. Perhaps the government will get away with it, I do not know; but we are at any rate grateful that at least the Auditor General can tell the people the cost that has already been incurred as a result of the decision the government made, though the government does not seem to be very happy at having these figures disclosed.

Attacks by ministers on the Auditor General should be seen as part of a larger strategy, a strategy that is designed to control information. It might be thought strange that a government that has proposed and has established Information Canada should at the same point in time attack and try to restrict the operations of the Auditor General. This simply sheds light upon the role of Information Canada as seen by the ministers of this government, and sheds further light upon the government's refusal to agree to the establishment of some kind of ombudsman to watch over Information Canada. Indeed, what makes this attack on the Auditor General so alarming is that it does not stand alone: it is part of a pattern of deliberate actions by this government to build up its own power and to break down the power of its critics.

The attack on Parliament came first. Here, the government showed so much contempt for this institution that it used closure to impose a rule that was so badly drafted it would not work. That attitude is clear in the establishment of a propaganda agency. It follows an ill-conceived move by the President of the Privy Council to bring about a change in the chairmanship of the public accounts committee, presumably because that chairman was being too independent.

Following this the Auditor General came under attack. The government is not only adding to its own power; it has set a deliberate course to silence or at least to weaken the critics whose powers had previously been established precisely to check the abuse of the power of government. The Canadian public and the members of this House require hard information, particularly about financial matters rather than the kind of pap that may be provided by Information Canada. What is required is the hard kind of information that is provided by the Auditor General of this country, whether the government likes it or not.

• (3:40 p.m.)

Some hon. Members: Hear, hear.

Mr. Stanfield: This attempt to muzzle the Auditor General does not make sense in any other context than as part of a plan to stop criticism and limit debate. Certainly, it cannot be defended in terms of efficiency. A government should welcome criticism if it wants to be efficient, or even if it wants to be effective, whatever the difference is in real terms and not image terms. In the first place, that is surely what democracy is all about? Any government which in one session sets up Information Canada in order to mold opinion, and at the same session tries to cut down the Auditor General is fashioning a democracy that is not participatory but perverse.

Some hon. Members: Hear, hear.

Mr. Stanfield: Sir, it is my experience that criticism from an officer like the Auditor General ought to be helpful to a government. When I became the premier of Nova Scotia there was no Auditor General. There was a sort of a balance sheet audit, and apparently the government is seeking to return to it. We established an Auditor General. From time to

time, certain reports of the Auditor General are annoying, but there is no question about it, they make for better government. An Auditor General can point up mistakes when they are small enough to stop. He will often be far more searching in his examination and more frank in his comment than members of a cabinet would be. By virtue of his access to the public service he can often find mistakes more quickly than a parliamentary opposition can. He can help the government spot mistakes and stop mistakes before they get too far out of control.

Certainly, this attack on the Auditor General is not designed to improve the efficiency of government operations. Sometimes, of course, the criticisms of an Auditor General will combine with public opinion to force a government to change its course. This, of course, is one of the risks of a democracy. The point of government is not always to get its own way and to bulldoze its programs through. The point is to implement a program which meets public needs and will stand public criticism. In any event, the importance of an effective Auditor General increases and will continue to increase as the role of government increases. The role of government is increasing rapidly and it seems likely it will continue to grow both in size and complexity. The cost of government is going up, as is the amount of money it has to spend or to waste. That will be particularly so if the government succeeds in smuggling through massive tax increases under the guise of tax reform.

I suggest what should be done with the Auditor General is to increase his power, not reduce it. I would think this would be the obvious course to be supported by any true friend of democracy in Canada. With a government increasing in size and complexity, the Auditor General's powers ought to be increased. Certainly, it is wrong to harass and undermine this important official. It is important to this House at this time to assert its support for this watchdog, and assert the support of this House for the role of the Auditor General against an arrogant and over-riding government. Therefore, I do ask the House and call upon its members to support the motion I have the honour to present to it this afternoon.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the members of this party wholeheartedly support the motion which is now before the House because we believe that an independent and courageous Auditor General is absolutely essential to honest and democratic government. We look upon the Auditor General not as someone responsible to the government, but as an officer of Parliament who reports to Parliament and the Canadian people regarding any irregularity which he may have found in the expenditure of public funds.

His powers are quite extensive. Section 70 of the Financial Administration Act of 1969 outlines his powers. It reads:

> The Auditor General shall report annually to the House of Commons the results of his examinations and shall call attention to every case in which he has observed that
>
> (a) any officer or employee has willfully or negligently omitted to collect or receive any money belonging to Canada,
>
> (b) any public money was not duly accounted for and paid into the Consolidated Revenue Fund,
>
> (c) any appropriation was exceeded or was applied to a purpose or in a manner not authorized by Parliament,
>
> (d) an expenditure was not authorized or was not properly vouched or certified,
>
> (e) there has been a deficiency or loss through the fraud, default or mistake of any person, or
>
> (f) a special warrant authorized the payment of any money, and to any other case that the Auditor General considers should be brought to the notice of the House of Commons.

I draw particular attention to that last very wide term of reference, namely "to any other case that the Auditor General considers should be brought to the notice of the House of Commons".

In a parliamentary system, an unfettered and independent Auditor General is the greatest guarantee the Canadian people have and that Parliament has that the government is following the expenditures and the manner of expenditures set forth by parliamentary appropriation. Any person who appreciates the role of the Auditor General in our parliamentary system could not but regard the attempts by ministers of this government as attempts to denigrate and to harass the present Auditor General, to weaken his effectiveness as a protector of the public purse. As a matter of fact, the government has the most to gain from having a fearless Auditor General. No Prime Minister could hope to supervise completely all his ministers. No minister could hope effectively to watch every branch of his department. The best guarantee they have that someone is keeping a watchful eye on the government's financial transactions is to have an independent and fearless Auditor General.

• (3:50 p.m.)

Instead of appreciating the role of the Auditor General, this government has

attacked him. The President of the Treasury Board (Mr. Drury) went so far as to say on a public broadcast that perhaps we should look for some other kind of person to be the Auditor General. I ask the question, "What kind of an Auditor General does the President of the Treasury Board want? Does he want a timid, docile one who will know how to put his blind eye to the telescope? Does he want one who will do whatever the government tells him to do?" Is that what the government wants? Are we to take it that this government which is spending $7½ million to set up Information Canada to tell the Canadian people what it wants them to know has now set its concept of a just society to be one in which the government hires the propagandists and fires the critics?

The government's attitude towards the Auditor General is like the attitude of a player who has committed a foul and then complains about the referee. What is the criticism of the Auditor General? The minister complains that he has been making comments on policy and that this does not come within his jurisdiction. What comments on policy has he made? The Prime Minister (Mr. Trudeau) has agreed on at least one area that is in dispute. On Monday April 13, as recorded at page 5773 of *Hansard*, I asked the Prime Minister the following question:

> Mr. Speaker, I should like to direct a supplementary question to the Prime Minister. Is the government's contention that the Auditor General has invaded the field of government policy based on the Auditor General's Criticism of the government for paying out over $180 million to the automobile companies by Order in Council because these companies could not comply with motor vehicle tariff order No. 1965? Is this the basis of the government's criticism? Does the government consider this to be an invasion of government policy?

The Prime Minister replied:

> Mr. Speaker, I think that this is an area of government policy. It may be that government policy is not right or is not effective or appropriate, in which case we hope that we will be criticized roundly by the opposition. But it seems to me that this is an example where there is a criticism of policy and not of honesty or procedure.

The Auditor General must also satisfy himself that the government is complying with the parliamentary control of expenditures. He has a right to know whether expenditures made by the government were authorized by this Parliament and whether those expenditures have any legislative or statutory basis. Let us look at the particular instance of which the Prime Minister complained, namely the Auditor General's criticism of the government's concessions of $180 million to certain automobile companies. The comments of the Auditor General are to be found at pages 94, 95 and 96 of his report for the fiscal year ended March 31, 1969. At page 94, the report reads:

> It was further determined that the company was qualified for remission under Order in Council P.C. 1969-172 with the result that estimated remissions to all companies under this Order in Council now exceed $180 million. Of this amount, an estimated $173 million is applicable to this one vehicle manufacturer.

I take it, Mr. Speaker, that this is a reference to the Ford Motor Company of Canada. At page 95, the Auditor General goes on to say:

> From the evidence given, it is obvious that in determining whether or not a vehicle manufacturer has complied with the requirements of the Motor Vehicles Tariff Order 1965, the Department of Industry, Trade and Commerce and the Department of Finance follow criteria additional to those incorporated in the Tariff Order. The officials of these Departments, when testifying before the Committee, appeared to place greater emphasis on criteria which are not included in the Tariff Order than on certain criteria which are included.

As recorded at page 96, the Auditor General says:

> The absence from the Tariff Order of many of the criteria established by the Department of Industry, Trade and Commerce and the Department of Finance for determining liability for duty has also led at least one vehicle manufacturer to believe that he was not required to meet the conditions of the Tariff Order to earn entitlement to duty-free treatment. It is therefore essential that the Motor Vehicles Tariff Order 1965 be amended to spell out all the criteria to be followed in determining liability for payment of duty.

In the next paragraph, he says:

> ... we believe that all duties and taxes should be collected at the time of importation and that benefits or incentives provided should be made available to the vehicle manufacturers only when evidence is produced that the required conditions have been met.

The situation as set out by the Auditor General is very clear. Under the Canada-U.S. auto agreement manufacturers are entitled to certain rebates and the criteria for these rebates are set out in Motor Vehicles Tariff Order No. 1965. Most of the companies have complied with the Tariff Order and there has been no problem, but the Ford Motor Company and a few smaller parts manufacturers did not comply. The Department of Industry, Trade and Commerce and the Department of Finance insisted that there were other agreements, not part of the U.S.-Canada auto agreement or the Tariff Order

but rather agreements which never to my knowledge were submitted to Parliament, under which the Ford Motor Company was entitled to $173 million and some of the small parts manufacturers to some $7 million.

This was fully confirmed the other evening when I raised this matter on an adjournment debate. On Thursday, April 16 I raised the matter as recorded at page 5977 of *Hansard*. The reply of the parliamentary secretary to the Solicitor General is to be found at page 5978. He confirms the fact that there are two sets of criteria. He says:

> The government therefore entered into more comprehensive agreements with each of the motor vehicle companies in Canada . . .

He goes on to say:

> However, it was determined that while certain companies had not fully met all the particular terms of the original definition of manufacturers as set out in the original order, they had in fact met or exceeded the objectives set by the government for total production performance. Therefore, the government exercised the authority given it by Parliament under section 22 of the Financial Administration Act to pass an Order in Council confirming certain moneys were not in fact owing to it for customs duties.

• (4:00 p.m.)

Here we have a double standard. We have a standard in a Tariff Order with which certain auto companies were able to comply, so they were entitled to these financial concessions. Other companies could not and did not comply, but under some other mysterious, unknown and confidential arrangement, about which apparently only the Department of Industry, Trade and Commerce and the Department of Finance knew, over $180 million was forgiven to these companies, and $173 million of it to the Ford Motor Company. It is interesting that the Parliamentary Secretary to the President of the Treasury Board (Mr. Caccia) should say these payments were made under authority of section 22 of the Financial Administration Act. But the Financial Administration Act says that the Governor in Council on the recommendation of the Treasury Board, whenever he considers it in the public interest, may remit any tax, fee or penalty. How do you remit money that has never been paid?

The parliamentary secretary himself said, as recorded at page 5978 of *Hansard*, that no money was ever paid. So what the government did was not to remit, but to use the Financial Administration Act to forgive over $180 million that was due to the treasury of Canada. We are not dealing here with policy. The government cannot seem to get that out of its mind. The parliamentary secretary the other day in replying to me said:

> Having devoted his time and effort to the legalistic aspect of the question, I hope the hon. member will recognize the fact that this agreement has produced employment for thousands of Canadians.

This is not the point at issue at all. The point at issue is that over $180 million of money owing the treasury of Canada was forgiven on the basis of criteria that are not set down in any act. They are not set down in any regulations and they are not contained in the Motor Vehicles Tariff Order. This is a double standard. Why is the Ford Motor Company treated differently from General Motors or from Chrysler Motors? Are there to be two criteria with, some companies paying under the tariff order and some paying under some secret, negotiated agreement to which the parliamentary secretary made reference? What is this agreement? Where is it? Why is it not put in some legislative form? What the Auditor General is complaining about is not whether the Canada automobile agreement is a good or a bad thing. What I am complaining about is not whether it produces more or less jobs. The question that is before the House is whether or not any government has the authority to forgive certain corporations over $180 million without any legislative or statutory authority.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): If this Parliament loses control of the purse strings, then Parliament might as well go home. It is not a matter of honesty of procedure, as the Prime Minister (Mr. Trudeau) said. If the government can hand out $180 million by order in council, it could be, since we do not know what is in the comprehensive agreements with the automobile companies, that the government has embarked upon the most gigantic give away since Manhattan was sold by the Indians for $24 and a bottle of whiskey.

Mr. Cafik: Would the hon. member permit a question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I only have limited time. When I am finished, the hon. member can ask it.

It could be, on the other hand, that the companies in question do comply with an agreement and are entitled to this money. However, this agreement should be in legislative form. The money should be paid

according to stipulations laid down and approved by this Parliament, not on the decision of the government.

That is why I want to move this amendment:

That the motion be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words: "and this House further declares that the Auditor General has served the interests of Canada by drawing Parliament's attention to the improper concessions of over $180 million made to motor vehicle manufacturers by order in council."

It seems to me that the question which the House has to determine in this amendment is whether the Auditor General was justified in bringing this matter to the attention of Parliament and the Canadian people. The Prime Minister said he was not justified. Judging by the comments of the President of the Treasury Board (Mr. Drury), he thinks he was not justified. I am asking this House to state that he was justified and that there was no justification whatsoever for a government forgiving over $180 million to the automobile manufacturers in question without any proper authorization or any statutory basis whatsoever. I believe that Parliament and the country have a right to know on what basis this $180 million was forgiven. I think we have a right to know if the government intends to continue making these payments to the Ford Motor Company and to other companies which cannot come within the ambit of the Tariff Order of 1965.

I want to say in closing that we believe government expenditures must be kept under close parliamentary scrutiny, and that if we are going to do that then we must support the Auditor General. I believe the Auditor General has done a good job.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I believe that drawing attention to the fact that some $40 million—

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, particularly in view of the fact that he is just closing, but I am afraid I have to draw the attention of the House to the fact that his time has expired. Is the House agreed that he should continue?

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I shall only trespass upon the good nature of the House for a few minutes more. I wanted to conclude by saying that in our opinion, if parliamentary democracy is to survive in this country, we must maintain parliamentary control over expenditures. I believe that the Auditor General is an important cog in the parliamentary process. I think he has done a good job in drawing attention to the fact that in the fiscal year which he reviewed in his last report there was some $40 million of waste. Instead of the government taking umbrage at those criticisms, the government should learn from them and correct the situation. Nobody expects a government to be infallible. It can be taken for granted that any government will have some people within its employ who will make mistakes, and the government should be glad to have these matters drawn to their attention. Instead of that, this government has become petulant, critical and abusive.

I think that if the Auditor General is going to do his job properly, he must have more staff. Some years ago I remember visiting Westminster at the time that the Labour party was in opposition. Mr. Harold Wilson was then the chairman of the public accounts committee. He had a very large staff and adequate facilities. Members were paid their expenses to remain during the recess, and they carried out a minute examination and a careful scrutiny of government expenditures. Every possible assistance was given to them by the government in office to make absolutely sure that they could report back to the house in all honesty that they had found everything to be in good order. We do not give our Public Accounts Committee the kind of staff or assistance that they need. But at least we ought to give it to the Auditor General. He ought to be able to do his job with a high degree of efficiency.

• (4:10 p.m.)

I would point out, Mr. Speaker, that the Financial Administration Act, section 65, clause 4 states that the Auditor General is entitled to "such offices and employees as are necessary to enable the Auditor General to perform his duties." Who is to determine what is necessary? Surely only the Auditor General can decide how much and what classification of staff he needs. Surely, he ought to be allowed to make that decision. The government would do well to see that the Auditor General is given a free hand so that he can carry on his investigations unfettered and untrammeled and can report to Parliament and the Canadian people that he has found the financial expenditures of this country to have been conducted according to the laws.

In closing, Mr. Speaker, I should like to say to the government that they should be warned that any attempt to bring legislation into this House to clip the wings of the Auditor General, to reduce his field of jurisdiction or to limit his areas of investigation, will be resented by the people of Canada.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I think I would be safe in saying that all members in the opposition, irrespective of party, would be prepared to fight such a move. I warn the government that if they have needed closure and rule 75C in the past, they are certainly goinp to need them in the future, should they try to put a muzzle on the Auditor General of Canada.

Mr. Deputy Speaker: I understand the hon. member for Ontario is rising to ask a question.

Mr. Cafik: Yes, Mr. Speaker, if I may ask a question of the hon. member for Nanaimo-Cowichan-The Islands.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Yes, Mr. Speaker.

Mr. Cafik: Mr. Speaker, I am quite interested in the point the hon. member made that the government did not have the authority to remit this tax for the automobile manufacturers. I draw his attention to, and I should like his comments in respect of section 22 of the Financial Administration Act, which reads:

> —whenever he considers it in the public interest, may remit any tax, fee or penalty.

Then, going on to subsection (b), we find this:

> (b) before or after any payment thereof has been made or enforced by process or execution, and
>
> (c) in the case of a tax or fee, in any particular case or class of case and before the liability therefor arises.

This would indicate to me, Mr. Speaker, that the position taken by the hon. member that the money must be paid before it can be remitted, does not conform to any section of the act.

An hon. Member: What is your question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should point out first that the section which the hon. member has quoted deals with remissions and, as the government itself has admitted, these moneys have never been paid and therefore cannot be remitted.

Mr. MacEwan: That is right.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Second, I point out that any such forgiveness ought to comply with the law and there ought not to be two criteria, one under which certain auto manufacturing companies are paid and an order in council under which other companies are paid.

As the Auditor General has properly pointed out, if the government wants to pay the Ford Motor Company and other companies who cannot comply with the tariff order as it now stands, they have the very simple alternative of altering the tariff order so that it will contain the criteria which the government is using to pay the Ford Motor Company and the other companies who have received this $180 million.

Mr. Danforth: That would be above board.

Mr. Cafik: Mr. Speaker, I should like to ask if the hon. member realizes that the term "remission" applies before or after payments were made? The act seems to be quite clear on this.

Mr. MacEwan: Make your own speech.

Mr. Deputy Speaker: Order, please. The hon. member for Roberval.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I am glad to express my opinion on this motion of the Progressive Conservative party and to say that the Ralliement Créditiste supports it without any restrictions. The motion reads as follows:

> That this House condemns the government for criticising the Auditor General of Canada for carrying out his duties according to law; and reasserts its supports of the principle of unfettered parliamentary scrutiny of government expenditures including the right of the Auditor General to comment on the failure of the government to make expenditure in strict compliance with parliamentary appropriations and to report on these and any other cases he feels should be brought to the attention of Parliament.

Mr. Speaker, I was so startled the other day when I heard from the Prime Minister (Mr. Trudeau) what seemed like threats against the Auditor General.

I have sat in the House for eight years and I have always considered that the Auditor General is above all political considerations or all governments. He has always seemed to me like the compass guiding the federal vessel, regardless of who is the captain. I

would be the first one to oppose the slightest limitation of the powers of the Auditor General of Canada.

Mr. Speaker, however strong the government is—and I believe it is one of the good points of the present government, one which it wanted—we must be careful that it does not have the negative aspect of its qualities. I think the government has been repeating this mistake month after month and day after day.

• (4:20 p.m.)

We are under the impression that, as soon as something is prejudicial to the government, it does away with it. This deplorable method will certainly be its undoing.

We have noticed this attitude on many occasions when judgments were delivered, now by committees, now by associations or by social groups. Indeed, we have even noted that if a committee report submitted to the House is not in agreement with the views of the government, it will simply refuse it and put it off indefinitely. It will not take any account of it.

I do not want to keep on detailing all the government has done because of its very great power. However, it must not forget that power is only temporary. It is precisely the reason why the Fathers of Confederation were well advised to create the office of the Auditor General. Man being what it is, they foresaw that it would be Parliament's responsibility to prevent excesses by any government.

What are the exact duties of the Auditor General? We can find the answer in his report. We see that he must scrutinize practically all the work done during the fiscal year. At page 13 of the Auditor General's report, where it deals with expenditure and revenue, one can read the following:

> The Statement of Expenditure and Revenue for the fiscal year ended March 31, 1969, prepared by the Receiver General for inclusion in the Public Accounts and certified by the Auditor General as required by section 64 of the Financial Administration Act, is reproduced in this Report. The Statement shows expenditure of $10,767 million, revenue of $10,191 million—

Therefore, it is a matter of a deficit of $795 million.

The civil servants and the various governments may juggle with figures and they sometimes do it so well that deficits or surpluses arise. In my opinion, the Auditor General sets the record straight when statistics have been distorted a bit. He gives the facts. Moreover, he reviews each item under expenditures and revenue to make sure that each expenditure has been authorized by Parliament. Should it happen, as it did during the fiscal year ending March 31, 1969, that unauthorized expenditures have been made, he will point them out. By the way, I am in favour of the amendment put forward by the New Democratic party which tends to prove to Parliament that outlays of $180 million have been authorized by a mere order in council.

As private members, we need something like that to produce figures that were camouflaged during the year. Then, the people in general and we can pass judgment on what the government has done.

Mr. Speaker, the government does not appreciate some of the conclusions arrived at by the Auditor General. But it is not the first time this has happened. I remember how in years past some governments were bitterly criticized by the Auditor General, and I am convinced that they accepted his criticism resolving not to sin again. But the present government, the Liberal government, does seem to be willing to do so. In fact, far from resolving to do better, they will not even accept criticism and go so far as to make threats. They warn the Auditor General that should he not submit a report to their liking, they will introduce an amendment to the act.

What is to be assumed in that case, Mr. Speaker, when one knows the person concerned? We are thus allowed to assume that he will simply make the Auditor General come to heel: I think we are striking here at the very foundation of the Canadian Parliament and that is the reason why I urge all members, not only the opposition members but the government members also, who can reason calmly, to check this violent torrent, this colossus ready to overthrow everything that stands in his way.

Such is my interpretation of the statements of the Prime Minister and I do not hesitate to say that those statements frightened me. When it comes to secondary matters, this has little bearing, but when the very foundation of the Canadian Parliament is threatened, that becomes a little more disturbing. That is why, in my opinion, it is time to warn the population and hon. members, and to try to convince the Prime Minister not to resort to a procedure which would contribute to reduce the power, the independence and the freedom of

the institution which still prevents the Canadian government, after 100 years, to be tossed about at the mercy of politics.

I will be the first one to object to any amendment, for most of the criticisms and comments made by the Auditor General to this government are perhaps more severe still than some others that I have heard in the past, because this time, the government went a little deeper into illegality.

At page 25 of the report of the Auditor General, under the heading "Comments on Expenditure and Revenue Transactions", one can read the following:

> Reference has already been made to the statutory responsibility of the Auditor General, under section 70 of the Financial Administration Act, to call attention to specific classes of transactions observed during his examinations and to any other case that he considers should be brought to the notice of the House of Commons.
>
> Pursuant to this direction, the following matters relating to the expenditure and revenue transactions examined during the year are brought to the attention of the House in this Report. Several matters of a similar nature relative to Crown corporations are also included. A number involve non-productive payments—

—to wit, a famous wharf which was never built and yet has cost $8 million—

I now resume the quotation:

> A number involve non-productive payments, the details of which are given at the request of the Public Accounts Committee. Some of these had their origin in prior years although in most cases payments were made in 1968-69.

When it comes to revenue, what about the revenue respecting health insurance? When we passed the Medicare Act, it was understood, since the provinces could not arrange to benefit the first year, they would be allowed a refund. Today, the government does not care rap about it and claims that there was never such an understanding. They pocket the $200 million paid by Quebec and that is all, the money belongs to them.

Well, I believe that if the office of the Auditor General scrutinized the tacts as prescribed by the legislation, it would discover, not only under expenditure, but also under revenue, some rather unorthodox dealings.

I should like to conclude simply by saying that we instead of trying to discredit the work done by the Auditor General and to deprive him of his freedom of action, we should, as members of Parliament, increase his powers to allow him to conduct a closer examination of the public accounts, so that the Canadian people might be protected, at least for four years, against some governments that would lead them to bankruptcy.

• (4:30 p.m.)

[*English*]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the main motion to which we are addressing ourselves is very ingeniously constructed. The only problem is that it is based on a false premise. Let me read the second half of it:

> That this House ... reasserts its support of the principle of unfettered parliamentary scrutiny of government expenditures including the right of the Auditor General to comment on the failure of the government to make expenditure in strict compliance with parliamentary appropriations and to report on these and any other cases he feels should be brought to the attention of Parliament.

This statement puts forward principles which are unexceptionable. Everyone in this House can agree with this affirmation. Indeed, it comes close to paraphrasing the provisions of the Financial Administration Act, a law of this Parliament. The first part of the motion alleges that the government has criticized the Auditor General of Canada "for carrying out his duties according to law". This simply is not the case.

The whole of the motion, as I have said, is based on a false premise. It is utterly fundamental that in the parliamentary system there be an officer of Parliament above politics, above policy differences and above partisan debates who ensures for Parliament and the public that the government and its civil servants are acting with legality and probity in the discharge of their duties. I hold this view. The government holds this view. It is for this very reason that I, and some of my colleagues, have admitted to some concern when the Auditor General has been cast in the role of policy critic, in the role of adversary in contests over public policy.

The Auditor General has submitted to the Public Accounts Committee a draft bill with respect to his office. The government had intended to express there its views as to the duties of the Auditor General, the independence which befits his office and other issues which the Auditor General himself has raised. We are now in the position of being obliged, unfortunately, in the context of a highly partisan debate to make known our general approach to the bill which has been submitted.

There are four general issues which emerge from recent reports of the Auditor General: the independence of the Auditor General

from the government and from the Acts of Parliament which govern the public service; the role and responsibilities of the Auditor General; the responsibility of the government to respond to the criticisms he advances in his reports and the status of the Auditor General and his office. I will speak to each of these in turn.

The Auditor General has made certain proposals which would assure his independence from the normal rules which govern the civil service, thus by inference further affirming his independence of the government. The government has been prepared to accept the Auditor General's propositions, and indeed to go even further than he has proposed.

The Auditor General has suggested that he be freed of any limitation by government on the number of employees he engages, and of any restraints on the salaries which he may pay them. By implication he would be free, too, himself to bargain with the employees' union. To these proposals, the government takes no exception.

We have been inclined to look to the Public Accounts Committee for its view on the Auditor General's proposals. We see three or four questions to which the committee might usefully address itself. First, we assume that the committee and the Auditor General alike would want to find a mechanism which would avoid the situation in which any office has unlimited access to public funds. Secondly, the committee might suggest some method, other than the Treasury Board, for determining the classification and pay of the staff in the Auditor General's office. And thirdly, we would draw to the attention of the committee, with respect to personnel appointments, that this House has already designated the Public Service Commission as the protector of the merit system: we would observe that to transfer the power of appointment from this body to the Auditor General would be to transfer responsibility from one office reporting to Parliament to another. The committee might wish to hear from both the Public Service Commission and the Auditor General on this question.

One approach which might be used to free the Auditor General from the restraints which apply on the civil service would be to provide that he should report to the House of Commons through the Speaker, as does the Commissioner of Official Languages. This would give the Auditor General even greater freedom from the rules which apply to the civil service than he has proposed, and would substitute only those provisions which this House itself applies in respect of the Speaker's staff.

The government has been considering this alternative, as well as the one put forward by the Auditor General himself, and would commend them to the Public Accounts Committee for consideration.

I will now deal with the duties of the Auditor General. The second issue which has arisen from the Auditor General's report is the duties which Parliament has assigned to him. I should like to make it abundantly clear, Mr. Speaker, that the government has at no time taken exception to the legislative outline of these duties. For our part, we support the wording of section 67 of the Financial Administration Act and the duties which flow from it in succeeding sections. Let me quote section 67:

> The Auditor General shall examine in such manner as he may deem necessary the accounts relating to the Consolidated Revenue Fund and to public property and shall ascertain whether in his opinion
>
> (a) the accounts have been faithfully and properly kept,
>
> (b) all public money has been fully accounted for, and the rules and procedures applied are sufficient to secure an effective check on the assessment, collection and proper allocation of the revenue,
>
> (c) money has been expended for the purposes for which it was appropriated by Parliament, and the expenditures have been made as authorized, and,

• (4:40 p.m.)

> (d) essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public property.

What does this mean, in non-legal terms? It means that the government believes the Auditor General has the right and the responsibility to comment both on the soundness of the financial controls being exercised by the government, and on the probity and legality with which ministers and civil servants are discharging their duties. Let me repeat; the Auditor General has a duty to comment on the probity of the government of this land—by which I mean simply that he has a duty to protect the taxpayers' dollars. And his right and his ability to do this must be protected.

These words cast a very wide net: I know it, and approve it. After all, hon. members should remember that the President of the Treasury Board and the Auditor General have common concerns. The government looks to the Treasury Board to establish the

internal procedures and audits which will ensure probity and legality in the civil service, just as this House looks to the Auditor General to ensure that we have indeed succeeded in achieving this goal. The success of the Treasury Board depends in no small measure, then, upon the existence of the Auditor General and his legislative post-audit. It depends, too, upon the independence and impartiality of his office.

It is for this very reason that I have, when questioned about the Auditor General's role, expressed concern that it not be looked upon as an adversary role; that his office not be envisioned as a source of criticism of government policy or of statutes of Parliament. Probity and legality, yes; government policy and parliamentary decisions, no.

The reasons for this position are not hard to find, Mr. Speaker. Policy questions clearly are matters of judgment, matters about which political parties differ and ought to be expected to differ. They engage us in debate in this House; they engage us in political or party differences which ultimately must be resolved by the electorate. Questions of probity on the other hand are above politics: no one disputes that the highest ethical standards ought and must obtain in the government of this country.

Herein lies the distinction which I have observed should apply. If the Auditor General comments on, or is expected to comment on, policy questions, sooner or later he will, by inference, become engaged in partisan differences. He will appear sooner or later to be taking sides in matters which are the subject of political debate. If the Auditor General is cast in this role by the duties Parliament imposes upon him, his independence and his effectiveness will have been endangered.

We should remember, I think, that the Public Service of Canada enjoys, not only in Canada but elsewhere in the world, an enviable and deserved reputation for probity—and absence of corruption and dishonesty. This is a priceless asset. It is a reputation which depends in no small measure on the certificate of the Auditor General, a certificate which proclaims the probity and legality with which government—any government—is performing its duties. The credibility of this certificate, whatever it says, must not be called into question. But if the Auditor General is cast in an adversary role, if he appears by reason of the duties we impose upon him to be an officer of the opposition—which I think it will be agreed is sometimes a partisan body—then, the credibility of the certificate will be open to question.

Let me hasten to add, Mr. Speaker, that criticism of policy there must be. That goes without saying. But it must come from elected representatives. It is up to the opposition to interrogate, to query, to debate, to criticize the policies of the government. But they should not seek to enlist the Auditor General as their ally. If they do they will destroy his office. A staff to assist the opposition, yes; the government recently acted to enlarge this staff. But the conversion of the Auditor General's office into a partisan role, no.

The third issue which has arisen from the reports of the Auditor General is whether the government is responding adequately, completely enough, to the Auditor General's criticisms. The government believes that there is room for improvement here. We will be proposing that the government ought to be obliged to report to Parliament, to the Public Accounts Committee, on the totality of the Auditor General's report, on all the criticisms he has made of the government and the public service. To this end, it is suggested that the Public Accounts Committee ought to arrange its schedule so as to enable its members to examine, side by side, the Auditor General's Report and the government's explanations as to what actions seem to be appropriate to remedy, or prevent in the future, the situations to which the Auditor General has properly drawn Parliament's attention. This proposal, Mr. Speaker, goes further than the Auditor General has suggested in his report, but it is a requirement which we believe this House has a right to impose on the government.

Finally, may I say a word about the status of the Auditor General? We believe, as I have said, that the Auditor General ought to be fully independent and ought to be seen as such. The government accepts all his proposals to this end, except we think that his salary should be tied to that of a judge rather than to that of a deputy minister, as he has suggested. We have in mind a judge of the proposed federal court.

I hope, Mr. Speaker, I have made clear the government's position on the issue which the Leader of the Opposition (Mr. Stanfield) has put to the House. To us, the Auditor General is the watchdog of honesty and incorruptibility, of probity and legality in government. This is a profoundly important role in our parliamentary system. It must not be corrupt-

ed. Any suggestion, therefore, that the Auditor General ought to be instructed to enter into the arena of political debate by serving as policy critic, or any action which might infer this, is to be resisted. For to give way to this temptation would be to weaken the office of Auditor General, and to reduce his value as the nation's objective and impartial overseer of integrity and honesty in government.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister a question? In his television interview he expressed the opinion that the Auditor General was invading the field of policy. Yet in his speech today, he spoke only in very vague terms about the danger that the Auditor General might invade the policy field. In no case did he give us an instance of the auditor general actually invading this field. Would the minister care to deal with that before he completes his speech?

• (4:50 p.m.)

Mr. Drury: Mr. Speaker, neither in my television speech nor in my remarks just now have I talked about the Auditor General invading the policy field. What I was saying, and what I was endeavouring to suggest the other day, was that there was a danger that Parliament, directly or through one of its committees, should instruct the Auditor General to undertake the role in which he would be cast, either by the public or by others, as critic of government policy, and consequently the government, in defending its particular policy, would by inference be criticising him.

I can cite, though I do not think it would be useful to hear, a number of instances where the Auditor General has been instructed by the committee to make observations regarding the appropriateness or otherwise of policies laid down by Parliament under the rubric, if I recollect the term correctly, of "unproductive expenditures". It is under this heading, acting on instructions from the public accounts committee, that reference is made to what he describes as or implies are not very useful expenditures in relation to the Northumberland causeway.

If he is called upon to do this kind of thing, to furnish his opinion in respect of matters which, in the case of the Northumberland causeway, have been thoroughly debated in the House, he runs the risk of being drawn into such a debate in a partisan way. I suggest this would place him in the dangerous position of losing the reputation for that objectivity which I think is essential to this high office.

Mr. Bigg: Would the minister permit a question?

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

Mr. Deputy Speaker: Order. There are two hon. members with questions. The hon. member for Pembina has inquired whether the minister would answer a question. I would point out that the minister is free to answer or not answer a question. I am having difficulty in determining what he wants to do. The hon. member for Pembina.

Mr. Bigg: Mr. Speaker, I am a member of the public accounts committee. From time to time we, in the committee, need expert opinion. Sometimes it is impossible for us to come to a conclusion unless we have that expert opinion. Perhaps in the interests of economy alone we have thought that in matters of accounting for instance, no man could give us a better expert opinion.

I am wondering whether this duty has been abused or appears to have been abused and whether, speaking on behalf of the treasury board, the minister could give the House an assurance that we can get the same type and quality of opinion, as near as that is possible, from other sources. This is a problem we are constantly meeting in the committee.

Mr. Drury: Mr. Speaker, I do not think I would try to prescribe for the committee its sources of professional opinion. Certainly, I would not make the suggestion that the opinions expressed by the Auditor General in relation to accounting were anything other than expert or professional. There was an instance with regard to professional opinion where I know the committee felt that it would be useful to go rather more widely afield, and indeed it sought professional advice in respect of the act the committee had been looking at from the Institute of Chartered Accountants. The committee should be free to do this. In my view it should be free to seek expert or professional opinion from wherever in the view of the committee it best lies.

Mr. Winch: Mr. Speaker, may I ask the minister a question?

Mr. Deputy Speaker: The hon. member for Vancouver East.

Mr. Winch: With regard to the answer the minister gave a moment ago in reply to a previous question, if my understanding is correct the minister said that his major criticism is not directed to the Auditor General but to the all-party public accounts committee which, by unanimous decision, asked the Auditor General to obtain certain information or to express his views. Am I correct that basically the minister said his criticism was directed to the public accounts committee?

Mr. Drury: Mr. Speaker, the suggestion here that there is criticism is contained in the first few phrases of the motion the House is discussing. If the hon. gentleman had been here, he would have heard me say that this motion—

Mr. Winch: I was here. I heard the minister's entire speech and his answers to the questions.

Mr. Drury: The hon. gentleman would have heard me say, then, that this motion, which talks about criticism, is based on a false premise: there is none. What I have been trying to do today is to urge the House and the committee not to thrust on the Auditor General duties and responsibilities that are perhaps liable to put him in the position of appearing to be partisan, thus destroying the reputation for objectivity which this high office has held and must continue to hold.

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I feel it is my duty to speak to this non-confidence motion. I have been a member of the public accounts committee for about the same length of time as the present Auditor General has acted in this capacity. I have always had a great admiration for the efficient and businesslike manner in which he has presented his reports. We are all aware of the fact that government business involves spending more money than any other business in Canada spends. This gives us an indication of the vast responsibilities that are undertaken by the Auditor General and his staff.

At the outset, I should like to put on the record the statute that sets up the office of Auditor General so that the people across this nation may fully understand the position of the Auditor General. I know this point has been commented upon by several speakers before me, but only in part, and I think that the full picture should be given to the House. Therefore, I should like to quote section 65 of the Financial Administration Act, 1967, which provides as follows:

(1) The Governor in Council shall by commission under the Great Seal of Canada appoint an officer called the Auditor General of Canada to hold office during good behaviour until he attains the age of sixty-five years, but he is removable by the Governor General on address of the Senate and House of Commons.

(2) The Auditor General shall out of the Consolidated Revenue Fund be paid a salary of thirty thousand dollars per annum.

(3) The provisions of the Public Service Superannuation Act, except those relating to tenure of office, apply to the Auditor General.

(4) Such officers and employees as are necessary to enable the Auditor General to perform his duties shall be appointed in accordance with the provisions of the Public Service Employment Act.

(5) The Governor in Council may appoint a person temporarily to perform the duties of the Auditor General during a vacancy in the office of Auditor General.

Section 66 provides:

(1) Notwithstanding any act, the Auditor General is entitled to free access at all convenient times to all files, documents and other records relating to the accounts of every department, and he is also entitled to require and receive from members of the public service such information, reports and explanations as he may deem necessary for the proper performance of his duties.

(2) The Auditor General may station in any department any person employed in his office to enable him more effectively to carry out his duties, and the department shall provide the necessary office accommodation for any such officer so stationed.

• (5:00 p.m.)

(3) The Auditor General shall require every person employed in his office who is to examine the accounts of a department pursuant to this Act to comply with any security requirements applicable to, and to take any oath of secrecy required to be taken by persons employed in that department.

(4) The Auditor General may suspend from the performance of his duty any person employed in his office.

67. The Auditor General shall examine in such manner as he may deem necessary the accounts relating to the Consolidated Revenue Fund and to public property and shall ascertain whether in his opinion

(a) the accounts have been faithfully and properly kept,

(b) all public money has been fully accounted for, and the rules and procedures applied are sufficient to secure an effective check on the assessment, collection and proper allocation of the revenue,

(c) money has been expended for the purposes for which it was approved by Parliament, and the expenditures have been made as authorized, and

(d) essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public property.

Criticism of Auditor General

68. The Auditor General shall

(a) make such examination of the accounts and records of each registrar as he deems necessary, and such other examinations of a registrar's transactions as the Minister may require, and

(b) when and to the extent required by the Minister, participate in the destruction of any redeemed or cancelled securities or unissued reserves of securities, authorized to be destroyed under this Act,

and may, by arrangement with the registrar, maintain custody and control, jointly with the registrar, maintain custody and control, jointly with the registrar, of cancelled and unissued securities.

69. The Auditor General shall examine and certify in accordance with the outcome of his examinations the several statements required by section 64 to be included in the Public Accounts, and any other statement that the Minister may present for audit certificate.

70. (1) The Auditor General shall report annually to the House of Commons the results of his examinations and shall call attention to every case in which he has observed that

(a) any officer or employee has wilfully or negligently omitted to collect or receive any money belonging to Canada,

(b) any public money was not duly accounted for and paid into the Consolidated Revenue Fund,

(c) any appropriation was exceeded or was applied to a purpose or in a manner not authorized by Parliament,

(d) an expenditure was not authorized or was not properly vouched or certified

(e) there has been a deficiency or loss through the fraud, default or mistake of any person, or

(f) a special warrant authorized the payment of any money, and to any other case that the Auditor General considers should be brought to the notice of the House of Commons.

(2) The report of the Auditor General shall be laid before the House of Commons by the Minister on or before the 31st day of December, or, if Parliament is not then in session, within fifteen days after the commencement of the next ensuing session and if the Minister does not, within the time prescribed by this section, present the report to the House of Commons, the Auditor General shall transmit the report to the Speaker for tabling in the House of Commons.

71. The Auditor General shall, whenever the Governor in Council, the Treasury Board or the Minister directs, inquire into and report on any matter relating to the financial affairs of Canada or to public property and on any person or organization that has received financial aid from the Government of Canada or in respect of which financial aid from the Government of Canada is sought.

72. Any report of the Auditor General to the Governor in Council or the Treasury Board shall be made through the Minister.

73. Whenever it appears to the Auditor General that any public money has been improperly retained by any person, he shall forthwith report the circumstances of such cases to the Minister.

74. The Auditor General may examine any person on oath on any matter pertaining to any account subject to audit by him and for the purposes of any such examination the Auditor General may exercise all the powers of a commissioner under Part I of the *Inquiries Act*.

75. An officer of the public service nominated by the Treasury Board shall examine and certify to the House of Commons in accordance with the outcome of his examinations the receipts and disbursements of the office of the Auditor General.

[Mr. Noble.]

Government ministers who make accusations against the Auditor General are familiar with the act, but rather than act like men and make charges in the House of Commons they have used methods that are not acceptable to this House and not in keeping with the high offices they are privileged to hold. Public opinion indicates there is much resentment of this unjustifiable criticism of a good, honest public servant.

Of course, Mr. Speaker, this is not the first attempt to demoralize the public accounts committee and its administrators. It was only a few weeks ago that a subtle and despicable move was made to remove the chairman of the committee. That particular government strategy failed miserably because the committee unanimously gave the chairman a vote of confidence on their first opportunity following the intended leak to the press by the conspirators. The government has been embarrassed by their own careless and frivolous handling of the public purse, and to try and save face they resort to pulling a red herring across the trail. What they have done could only be termed childish and immature.

The Auditor General has a reputation above reproach. He is highly respected in his profession, not only in Canada but by the fraternity of the United Nations which embraces over 100 countries. He has had the enviable distinction of being chosen by them to be their external auditor. In view of the confidence the United Nations has placed in him, does it not seem a little ridiculous for this government to whimper about something of very little significance? This government has not paid enough attention to the information that has been revealed by the Auditor General and which, if heeded, could have saved the country millions of dollars. Rather, they go on their merry way spending like drunken sailors and at the same time telling all segments of our economy that they must tighten their belts.

I need only mention a few of their recent extravagant orgies to demonstrate their insincerity in respect of fightiing inflation. It was recently made known to this House that the Prime Minister (Mr. Trudeau) needs over $820,000 to maintain his office and staff, as

compared to $50,000 to do the same job when the right hon. member for Prince Albert (Mr. Diefenbaker) was Prime Minister. Only two years ago, the Prime Minister of that day operated his office on $75,000.

Then, we have the new agency, Information Canada, which, from all indications, will be infringing on the responsibilities of Members of Parliament, confusing and frustrating them and costing the country millions of dollars. Another expenditure we could well get along without is the $50 million or more that will be spent by the Bilingual and Biculturalism Commission which can only be termed a superfluous expenditure. I presume the Auditor General and the Public Accounts Committee will not have the opportunity of scrutinizing many such items.

The people of the country were astounded when, through the Auditor General and the Public Accounts Committee, the facts in respect of the refit of the *Bonaventure* were made known. The colossal blundering by government representatives in their estimating, in their supervision and their judgment, was almost unbelievable. The people of Canada were led down the garden path to the extent of many millions of dollars by the extraordinary handling of government responsibilities. I could go on and enumerate many more transactions brought to the attention of the Public Accounts Committee by the Auditor General, but since the details of the *Bonaventure* case are so well known, I think it illustrates the valuable and efficient work the Auditor General has been doing over the years.

The Public Accounts Committee has been aware for quite some time of the fact that the Auditor General has only been doing a spot check on expenditures. He has brought to the attention of the committee that his staff is insufficient to do a thorough job. The Public Accounts Committee, in its reports to the government, has made several appeals to have the Auditor General given the authority to take on the necessary staff to do a complete and thorough audit of all government transactions. To my knowledge, the government has turned a deaf ear to this request—in fact, his staff has been reduced. This made it obvious that they would take the first opportunity to clip the Auditor General's wings.

The President of the Treasury Board (Mr. Drury) recently availed himself of a good chance when he appeared on television. His first remark was that the Auditor General should stick to assessing the government's accounting procedure. In replying to that statement, I would say that the Auditor General has done an excellent job, to the embarrassment of the government. As to the Minister's second statement, he had his foot in his mouth when he wondered whether the Auditor General should cast himself in this role or whether we should look for really another kind of person to be Auditor General. This statement means only one of two things: he is threatening to get rid of the Auditor General, or he is blackmailing him.

• (5:10 p.m.)

The Prime Minister, (Mr. Trudeau) when questioned in the House by the Leader of the Opposition as to whether or not this statement was government policy, made a flimsy reply in an attempt to cover up for the arrogance of the President of the Treasury Board when he said, as recorded at page 5771 of *Hansard:*

> —I cannot say that this is government policy. I would assume that if that was said it might be interpreted to mean we want another type of function fulfilled by the person who is fulfilling the job now, not some other person.

No one but the Prime Minister could make such a futile explanation. Nevertheless, Mr. Speaker, the whole exercise is another example of government blundering. I have no hesitation in saying that the people across the country, if given the opportunity, would endorse the work of the Auditor General and give him an overwhelming vote of confidence.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I cannot support the motion put forward by the Leader of the Opposition. I cannot do so primarily because of the way in which it is worded. It says that this House condemns the government for criticizing the Auditor General of Canada for carrying out his duties according to law. If I felt the government of Canada was really trying to prevent the Auditor General from performing his duties I would certainly support the motion. But I do not see any evidence at all that the government has made any such statement or has any such intention. Remarks that have been made by individual members of the cabinet are not necessarily the views of the government—

Some hon. Members: Oh, oh.

Mr. Cafik: —and I think the statement made today by the President of the Treasury Board certainly does not reflect any intention on the part of the government to do anything

to curtail the Auditor General, but rather strengthen and further the position he holds in the public interest.

The second part of the motion regarding the principle of the Auditor General having an unfettered right to view government expenditures, of course, is something which anyone would support. I think everyone in this House would support that section, but unfortunately it is based on a premise that is just not true. For that reason, I cannot support it. The second point concerns the amendment moved by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). It reads as follows:

and this House further declares that the Auditor General has served the interests of Canada by drawing Parliament's attention to the improper concessions of over $180 million made to motor vehicle manufacturers by order in council.

First of all, the Auditor General did not draw to the attention of the Public Accounts Committee, Parliament or the people of Canada, any such improper concessions. I should like to quote from page 96 of the report of the Auditor General where he deals with this item in section 135. He indicates that the government has the right, where it considers the public interest is at stake, to remit or change any duties that may be payable or any penalties. He also gives his reason for mentioning this item in the Auditor General's report itself. He quotes the following statement from the Financial Administration Act:

A statement of each remission of one thousand dollars or more granted under this section shall be reported to the House of Commons in the Public Accounts.

So, the reference in the report is not an indication to my knowledge that he has ever contended there has been any improper concession, but rather that he has some kind of an obligation—a statutory one I presume—to draw attention in the Public Accounts to any remissions when these exceed $1,000. So, he has fulfilled his obligation. The interesting point made by the Leader of the New Democratic Party in his comments today is that he did not care about the employment this created.

Mr. Lewis: That is not what he said.

Mr. Cafik: That is my interpretation of what he said.

Mr. Lewis: That is a misinterpretation.

Mr. Cafik: If you would withhold your remarks until I have finished I would be delighted to answer.

[Mr. Cafik.]

Mr. Lewis: Mr. Speaker, on a point of order, I can wait with any question I wish to ask the hon. member until he has finished, but he has no right to misrepresent any member of this House. What the hon. member for Nanaimo-Cowichan-The Islands said was that it was not relevant to this discussion whether there was more or less employment, not that he didn't care.

Mr. Cafik: I meant what I said, and I certainly agree with what you said. But he did indicate that in this particular context he did not care.

I should like to point out that the public interest is the operative part, because if the Governor in Council believes the public interest is at stake in making this Order in Council he is free to do it. I believe it is important at this point to mention that the public interest was at stake because since 1964, in terms of employment alone in Canada, as a result of that agreement employment has increased by 32 per cent in the automobile industry. It has gone from 68,400 in 1964 to 90,300. Our gross national product has risen by $1 billion annually as a result of this agreement. In addition, our percentage of the consuming market in Canada has increased dramatically since the signing of that agreement. In 1964, for instance, we produced in Canada 4 per cent of the cars and consumed 7½ per cent of the cars produced in North America. Today, that situation has changed dramatically. Today we produce 6 per cent of the cars manufactured in North America and consume 8½ per cent. This is a considerable improvement.

So I therefore contend—and I do not believe anyone could contend otherwise—that the automobile agreement and the maintenance of it in force is certainly in the best interest of Canada. In terms of the argument of the hon. leader of the New Democratic Party that the Financial Administration Act did not give the Governor in Council this right, I contend he is grossly wrong. He has, in fact, misled many people in this House because the act states very clearly that the Governor General in Council can remit these duties whether they have been paid or not, in advance of the payment or following the payment. His contention was that no remission could be made unless the money was first received. This does not coincide with the facts as I read them in the Financial Administration Act.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the hon. member a question.

Mr. Cafik: Later; as you allowed me the privilege, I will allow you the same.

If I may continue, I should like to say that so far as I am concerned the motion is in fact a disservice to the Public Accounts Committee. Last week the members of the Public Accounts Committee decided they would like to take up this issue and make recommendations to the government in respect of the Auditor General and his role. I think we all seem to bear allegiance to the principle of strong committees. If this is our belief it would have been wise to leave this matter with the committee rather than bring it up here today. As of the 5th of next month we will be discussing the matter with the Auditor General, with the Institute of Chartered Accountants, with members of the Civil Service and with members of the government as well as others who have views to express.

Mr. Bigg: Will we dare do this?

Mr. Cafik: This is what we agreed to do. I do not think it behooves anyone to suggest that I would not do so before the Public Accounts Committee because I do not believe anyone who has been on that committee would suggest I would attempt to do other than what I believe is in the best interests of that committee and of this country.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The President of the Treasury Board does not agree with you.

Mr. Cafik: I do not mind. He can agree with whoever he likes and so can I.

I am speaking on this point at this time and will do so until my time is up. I have a few suggestions I should like to make in this regard which I think would be useful, not only in strengthening the role of the Auditor General but also the role of the Public Accounts Committee which I believe leaves a little to be desired in some respects.

• (5:20 p.m.)

The first recommendations that I would make is one that stems from the Institute of Chartered Accountants which recommended certain changes to the Auditor General's proposal for an auditor general's act. I will quote from their document which suggested the following change to section 13(3):

> Notwithstanding subsections (1) and (2) the Auditor General need not report on any matter which is, in all circumstances, of relative insignificance.

I think that at the moment the Auditor General appears to be obliged to report any incident, and I believe that many of the incidents that he brings to our attention—and I can give you examples—are of minor significance. That is for him to judge, but I believe it is very important that at least he be given the right in the act to eliminate such matters so that the committee does not waste its time on insignificant thing. This would eliminate some items and allow us to concentrate on those things that were of serious import.

The second recommendation I would make is that the Auditor General give all relevant information in respect of an item in his report. I would like to refer for a moment to a case that came up in the Public Accounts Committee meeting this morning which I think illustrates this point. I hope the Auditor General will agree with me. At page 169, paragraph 246, item 2 of the 1968 report the Auditor General makes the following comment:

> A shortage of $1,140,000 with respect to cobalt stolen several years ago is revealed by the balance sheet of the Revolving Fund. Amounts totalling $49,000 had been recovered to March 31, 1968 and further recoveries are expected. However, it appears inevitable that there will be an ultimate loss of not less than $600,000.

As a result of questioning, I found out that out of the total estimated loss of $600,000, $526,000 was lost because of a decline in the market value of cobalt during that period and not to theft or to any other factor. In addition, $74,000 of the $600,000 was lost as a result of negotiations between the Crown and the company that was responsible for the shortage of the cobalt. Mention was made of receiving 85 per cent of the market value of those goods rather than going to court to get the whole amount. If we are in the Public Accounts Committee are going to do an effective job, it would be most helpful if the Auditor General—and I suggested this in the committee—would bring forward all such relevant factors.

I asked the Auditor General's assistant today if he knew whether $526,000 of that amount was lost as a result of a decline in the market value, and he said yes. But I cannot understand why he did not tell us that in this report. We would have avoided wasting a great deal of our time and a great deal of our questioning to get these facts had he brought them to our attention in the first instance. I hope he will do that in the future.

The next point I would like to make about the Auditor General's report is that he pay more attention to details in the report itself.

Let me give the House an example. Earlier somebody mentioned the *Bonaventure* and said that the Auditor General should be thanked for bringing to our attention the details regarding over-expenditure. I want to submit humbly that it was not the Auditor General who did so and to suggest that I played a pretty big part in so doing.

Some hon. Members: Hear, hear.

Mr. Cafik: I would like to suggest to you, Mr. Speaker, that if you read the Auditor General's report you will not find any indication of the sloppy workmanship which we thought we discovered. He referred to the over-all appropriation and said it was higher than it should have been. However, he did not bring forward the factors that I brought out in the committee as a result of the digging and darn hard work. I think that perhaps that is an indication of his need of a larger staff so that he can do some of that detailed, important and valuable work prior to coming to us with the report.

There is one other point that I would like to make regarding the Auditor General's report, namely that it would be extremely useful to the Public Accounts Committee if the Auditor General were to print, following his paragraph regarding any particular department, some kind of statement of the government's position. I believe it is far better for any objective committee such as we have, to have a look at both sides of the story before getting into any kind of investigation. It would expedite our work and we would do a far better job in the public interest, and so would the Auditor General. So, I suggest that following the Auditor General's statement there appear a statement by the department so that we will know both sides of the story. In my experience in the committee that would be extremely useful. I can illustrate many points that were brought out by the Auditor General regarding which, after we listened to departmental witnesses, we concluded the situation was either not so bad after all or in some cases it was even worse. In any case, however, I would like to see the total story printed.

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member but his time has expired.

Mr. Cafik: May I have the consent of the House to conclude my remarks, Mr. Speaker?

The Acting Speaker (Mr. Béchard): Does the House give such consent?

[Mr. Cafik.]

Some hon. Members: Agreed.

Mr. Cafik: In conclusion may I say, Mr. Speaker, that I intend to oppose the non-confidence motion moved by the Leader of the Opposition (Mr. Stanfield) because I cannot condemn the government for what it has not done.

In my view, it is imperative that an independent person such as the Auditor General have access to information on all public expenditures and is able to report upon his findings to the House of Commons and consequently to the people of Canada. My role in the Public Accounts Committee is ample proof of my concern for the efficient and proper use of public funds. My suggestions to the House today are based upon a genuine concern for improving the effectiveness of both the Auditor General and the Public Accounts Committee.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I rise to speak in support of the motion that has been moved today by the Leader of the Opposition. I speak with some concern for the motion presently before the House. I do so with a sense of responsibility as a member of the House of Commons for some 13 years, a considerable number of these years spent as a member of the Public Accounts Committee. Once a year a slim, innocuous looking grey book makes its appearance in Ottawa, a book which has jokingly been referred to as "Henderson's financial follies". This book does not contain a script for a follies show at the National Arts Centre, although some of the short stories it contains would make a suitable script for light comedy if some of the facts were not so tragic to our Canadian taxpayers.

When the Auditor General's report is tabled in the Commons all hell breaks loose for within its covers are set forth the sins, errors and omissions of government departments, public agencies and Crown corporations for the past 12 months. Careers have been made and broken through information in this book's pages. Policies have been examined, changed or even abandoned under the battering of an accounting which every year sees opposition members gleefully searching for rocks to throw at the treasury benches while government supporters scramble for cover. Behind this parliamentary tornado is a neat, grey, cleanshaven public servant named Maxwell Henderson. To a deadly serious job, he brings the saving graces of quick humour and an easy charm more suited to politics

than to accounting. His reports are stiff, rigid and righteous, but in talking to him we find that he is friendly and co-operative. He brings to his position a sense of duty and a sense of humour, both of which are needed on Parliament Hill.

• (5:30 p.m.)

When Mr. Watson Sellars retired in 1960, Mr. Henderson was appointed by the then Minister of Finance, Hon. Donald Fleming. In my opinion and in the opinion of most Canadians he has fulfilled his duties capably and well since that time.

Some hon. Members: Hear, hear!

Mr. Crouse: Like a judge, the Auditor General is a servant of Parliament, not a servant of the cabinet. He can be fired only by a joint resolution of the House of Commons and the Senate, a step which has never even been threatened in Canada until the present time. In my opinion the Auditor General is the watchdog of the public purse and he is in need of the independence guaranteed him by the Financial Administration Act under which he operates. I say this because his main function is to see that every cent of public moneys is properly accounted for. This makes him one of the most feared and possibly one of the most disliked public servants in the nation. Obviously, Mr. Speaker, he is not popular with the present government, but to the best of my knowledge he has always carried out his duties without fear or favour.

When the Conservative administration which appointed Mr. Henderson decided to scrap the Avro Arrow in 1959, a replacement had to be found but noisy complaints were heard in the House of Commons about the $400 million write-off on the Arrow and any additional expenditures would only add fuel to the fire. The Department of National Defence hit on the solution of making a swap with the United States. In return for 66 F-10 Voodoo interceptors, Canada undertook to operate a number of Pinetree Line radar stations for the Americans so our defence requirements would be met without the need of a heavy cash outlay.

The whole deal seemed to be smooth and acceptable until the Auditor General caught up with it. In his 1960 report he rebuked the defence chiefs for not showing the Voodoos as an expense. Whether they were paid for in cash or work, he pointed out, they cost money. He went on to estimate the outlay at $170 million and this provided a ripe tomato for opposition spokesmen, who were Liberal in that day, to toss across the Commons at the government which was Conservative and had just appointed Mr. Henderson.

Within a year he was involved in another head-on clash with the Conservative administration. The Revenue Department had held up wages to three men on the public payroll for non-payment of income tax. Mr. Henderson's investigators became intrigued and asked for the tax files of the three delinquents. The Hon. George Nowlan was then Minister of National Revenue and he refused the request. Mr. Henderson made note of this refusal in his next report to Parliament.

The minister was vigorously grilled at that time by the Four Horsemen of the Apocalypse, as our leader in the House used to call them in those days. He was grilled in the House of Commons almost immediately, where he let slip that the three men involved were MP's, two Conservatives and one Liberal. The fight was carried before the Public Accounts Committee where the minister stood his ground on a provision of the Income Tax Act, which guarantees secrecy in income tax matters. However, Mr. Henderson pointed to the Financial Administration Act which entitles him to access to "all files, documents, or other reports, notwithstanding any other legislation." The Auditor General won his point and the files were produced.

It is my contention that in both these cases Mr. Henderson's concern was not to embarrass the government—although that happened—but rather it was to ensure the proper accounting of funds to the taxpayer. If the Commons votes to spend $10 million on fish, that is of no concern to the Auditor General, but if the money appropriated for fish is spent on chips, then the Auditor General is very much involved. I should point out, Mr. Speaker, that at no time during these investigations was there any suggestion by the then Progressive Conservative government that the criticisms of the Auditor General were invalid or that any action should be taken against him.

What has caused this issue to be raised today, Mr. Speaker? All of us throughout the length and breadth of this nation were disturbed when the President of the Treasury Board (Mr. Drury) recently told a television audience that the Auditor General is pitting his judgment against the government and that he should stick to assessing the government's accounting procedures. The minister went on to wonder whether Mr. Henderson

should pit his judgment against the government or whether the government should really look for another kind of person to be Auditor General. Why are we, as Canadians, concerned over statements which have been made on this matter by the President of the Treasury Board and the Prime Minister (Mr. Trudeau)? Why are we concerned when our Prime Minister indicates he plans to introduce legislation into this House defining the authority and scope of the activities of the Auditor General?

We are concerned about the erosion and destruction of the power of Parliament. That is why this motion has been raised today.

Some hon. Members: Hear, hear!

Mr. Crouse: Some years ago Lord Chesterfield said:

> Let us consider that arbitrary power has seldom or never been introduced into any country at once. It must be introduced by slow degrees and as it were, step by step, lest the people should see it approach.

We are now viewing the acquisition of arbitrary power which is the planned and plotted objective of the Trudeau government. This government wants power that is above restraint and beyond criticism. This government wants arbitrary power that is introduced by slow degrees, step by step, sometimes stealthily, sometimes openly with sly hypocrisy, sometimes with snare and sometimes by trap, sometimes with soothing syrup or a slogan. Whatever the moves, they are always directed and ever advancing toward one objective, namely, absolute arbitrary power.

It is the tragedy of political liberty that men, once they have attained it, assume the battle won not only for themselves but also for future generations. The historians paint these long gone battles, fought by men against their oppressive rulers, on a grand and dramatic scale. They hang them in a frame of large events. Here I refer to King John signing the Magna Carta and Cromwell dismissing a corrupt Parliament.

Mr. Speaker, all this happened in the long gone past. We as Canadians do not expect, and believe there is no need for, such a dramatic confrontation today. We sometimes forget these symbolic pictures of the past only represent the ultimate recovery of our political liberties. We do not ask, over what long period, in what undramatic ways, were these liberties first lost or gained. We forget we lost them, fought for them and recovered them in Nova Scotia, in Quebec, in Ontario and in the west. We forget that our cousins to the south fought for them, and only won them in a bloody revolution. We are not mindful in our history of the little things, Our editorials, which are the daily history of our times, contain nothing like this leader from the London Times of August, 1846:

> The greatest tyranny has the smallest beginnings. From precedents overlooked, from remonstrations despised, from grievances treated with ridicule, from powerless men oppressed with impunity, and overbearing men tolerated with complacence, springs the tyrannical usage which generations of wise and good men may hereafter perceive and lament and resist in vain.
>
> At present, common minds no more see a crushing tyranny in a trivial unfairness, or a ludicrous indignity, than the eye, uninformed by reason, can discern the oak in the acorn, or the utter desolution of winter in the first autumnal fall. Hence the necessity of denouncing with unwearied and even troublesome perseverance, a single act of oppression. Let it alone and it stands on record. The country has allowed it and when it is at last provoked to a late indignation, it finds itself gagged with the record of its own ill compulsion.

This government, Mr. Speaker, has progressed some distance along the way to arbitrary power. The criticism of the Auditor General of Canada is only a prelude to their plans and is but one of the most recent and most dramatic in a series of steps along the path. We have every reason to be concerned when a government is bold enough to attack a publicly paid critic of the government who is himself by reason of his criticisms so much in the public eye.

• (5:40 p.m.)

This type of criticism is inexcusable. This government was elected to office on a platform of two slogans, one being that the government would establish in Canada the just society and the other that Canadians would enjoy participatory democracy. Journalists have attributed the slogan, "The just society" to Palto's democratic philosophy of government. But, Mr. Speaker, we do not need political philosophies in this country to tell us what to do. In ten words, let us have—government of the people, by the people, for the people.

We have seen the symptoms in this House, Mr. Speaker, which should concern all Canadians: the step-by-step whittling away of our procedural rights; the two efforts to change the rules to impose the guillotine upon debate and criticism; the attempt to change the non-partisan chairman of the Public Accounts Committee; the interference with

committees and the presentation of committee reports; the establishment of the ministerial roster system; the establishment of corporations and agencies which remove whole areas of public affairs from the investigation and scrutiny of members; the delegation of vast law-making powers to the cabinet; the appointment of officials at Her Majesty's pleasure and not during good behaviour; the unpublicized introduction of a bill to seize vast economic and financial power by the socialization of private investment, which was aborted in the other place; the bill now before the House to take over control of the entire farm products industry from farmer to consumer; the large increase of officials at the decision advisory level, and bills which provide for public hearings that are not public hearings. I could go on, Mr. Speaker, but time does not permit. These are the steps this government has taken or is taking along the path to arbitrary power. They are known to members of this House and have been fought against by members of all opposition parties. Unfortunately, they are not known generally to the public.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): Is there unanimous agreement for the hon. member to continue?

Some hon. Members: Agreed.

Mr. Crouse: Mr. Speaker, I thank the House for its indulgence. I shall be only about a minute more. The government now dares to act publicly against an official of this House who in the course of his duties has criticized the government. If we, as members of this House, do not now make a stand against this show of arbitrary power, this attempt to muzzle the Auditor General, then we are indeed nothings, as we have been labelled by the Prime Minister.

Mr. J. A. Jerome (Sudbury): Mr. Speaker, I begin my remarks in this debate by making a passing reference to the remarks of the hon. member for Annapolis Valley (Mr. Nowlan). The last time I spoke in the House the hon. member alluded to my habit of criticizing the right hon. member for Prince Albert (Mr. Diefenbaker) in his absence from the House. During the course of my remarks this evening I shall be criticizing the Leader of the Opposition (Mr. Stanfield) for moving the motion.

It is a pity that the hon. member for Annapolis Valley, the Leader of the Opposition and the right hon. member for Prince Albert are not here at this time. I do not quite understand what sort of duty was envisaged by the hon. member for Annapolis Valley when he suggested that in our debates we should not criticize an hon. member opposite when he is not in the House. I do not think it is our obligation to ask those who have participated in the debate to stay around for its duration. Those of us on this side of the House will stay here for the afternoon and evening, and that ought to be the clear obligation of hon. members opposite who have participated, particularly since one of them introduced this motion.

Some hon. Members: Hear, hear!

Mr. Jerome: The opposition has chosen this subject for special attention on an allotted day because it has thus been enabled to introduce a motion of want of confidence in the government. The role or function of the Auditor General would not have been brought into special focus except for two circumstances that I presume gave rise to the motion before us. One of those was certain recent comments by two members of the cabinet who have been referred to, the President of the Treasury Board (Mr. Drury) and the President of the Privy Council (Mr. Macdonald). Those remarks have been referred to. The other circumstance is the legislation to come before this House, to be known as the Auditor General of Canada Act.

Dealing with each of these sources of complaint separately, I note that the remarks attributed to the President of the Privy Council have been noted several times already today. In the remarks complained of, which were uttered on television a short time ago, it was said that any disagreement with the Auditor General did not stem from his criticizing accounting procedures, the basic practices involved, the method of expenditure, and so on, but rather from his criticisms of underlying government policy. That statement stands on the record. The transcript of the television interview has been referred to and has now been noted as a source of complaint by the opposition.

I note as well that the remarks of the President of the Treasury Board, who has already spoken in this debate, were referred to by the Leader of the Opposition when he led off this afternoon's debate. I am always a little suspicious, Mr. Speaker, when a very short quota-

tion is lifted from a long transcript and referred to in this kind of debate. Having heard the short quotation referred to by the Leader of the Opposition, I took the liberty of looking at the original transcript of the television program that was referred to.

I note on page 10 of that transcript, almost two pages before the paragraph that has been referred to by the Leader of the Opposition, that the subject was expanded somewhat. It might be interesting to read those remarks, as the Leader of the Opposition should have done out of a sense of fairness, and include the remarks already referred to and attributed to the President of the Treasury Board. The Leader of the Opposition at least might have had the decency to read all of that passage to the House so that we might be fully informed.

This interview was being conducted by Mr. Collister and Mr. Lynch, of great notoriety in this chamber. Mr. Lynch asked this question, as recorded at the bottom of page 10 of the transcript:

> If you're so hot on efficiency and the things you've just been talking about, why is the Auditor General, Mr. Maxwell Henderson, so unimpressed with the way public business is conducted, and why is he so critical of the Treasury Board for cutting down on the staff that he has to make sure that efficiency and productivity are maintained? You and he seem to be butting heads against one another.

The President of the Treasury Board answered:

> Well to use a phrase you applied a little earlier, one would expect him to have a vested interest in discovering things which are subject to criticism. That's his job.

Mr. Lynch then said:

> Right. He says you're throttling him. You're not giving him enough staff and enough money.

The President of the Treasury Board answered:

> The fact of the matter, is, as has been pointed out on a number of occasions, he has not, to the best of my knowledge, ever filled out the establishment that he has had authorized. And I mentioned earlier that the civil service has now had, as a whole, cut back from its authorizations for numbers of people far in excess of what they ever had or seemed to be likely to get. The same kind of operation was applied to the Auditor General, and indeed the authorization for very large numbers which he had never reached, was reduced to something quite modestly in excess of his existing staff. So he still has room to increase his staff.

Reporting the full text of that interview, it seems to me, places in an entirely different perspective the remarks of the President of the Treasury Board; and to be fair, if those remarks are the source of the opposition's criticism, opposition members should have had the decency to read into the record the whole transcript. In other words, the remarks made by both hon. gentlemen simply refer to the fact that it is clearly understood that the function of the Auditor General, a function he has carried out so well, is to criticize the manner in which the government spends funds and say whether that spending is wasteful, spendthrift or even inefficient.

• (5:50 p.m.)

The policy underlying the decision to authorize the expenditure of those dollars is the prerogative of Parliament. It is not an area for the Auditor General to exercise his criticism. Having accepted as policy of this House that certain dollars are to be expended, it is the job of the Auditor General to examine very carefully and criticize fully and completely if those dollars are not properly spent or if the expenditure of the moneys or the accounting for them is not properly done.

Even in my short experience in this House I have found that the report of the Auditor General for 1968-69 is a very complete document, detailing some very large and wasteful expenditures on the part of the government. To suggest that the Auditor General is being restricted in his job of criticizing this government is ludicrous. The reports of the Auditor General are detailed to a degree I would not have imagined possible. I submit they are very clear. It is for this reason I and other members oppose the motion and support the remarks that have been made with respect to the function of the Auditor General. The Auditor General should criticize in the way that he has done in his report. However, it is not his job to criticize policy decisions of this Parliament. That is the prerogative of this Parliament, the news media and others who wish to criticize, but it is not the job of the Auditor General.

The source of complaint is the remarks I have referred to, or the forthcoming legislation setting up a special act of Parliament with regard to the Auditor General. Let us examine the position of the government and its attitude in respect of this legislation. I submit it is significant to note that this bill was not drafted by the government. It was not prepared by a government draftsman who was subject to any control, political pressure or authority of this government. It is extremely significant to note that the proposed Auditor General's act was prepared, at the request of Parliament, by the Auditor General.

Mr. Bigg: At our request.

Mr. Jerome: It was at the request of the Public Accounts Committee. It was made an appendix to the current report handed to the Public Accounts Committee by the Auditor General. It contains authority which is extraordinary in the process of legislation. It was drafted in the initial stages by the Auditor General.

One of the first steps, a very wise one, taken by the committee was to refer the proposed legislation to the Canadian Institute of Chartered Accountants which made a very detailed analysis of it. It was returned to the Public Accounts Committee with some very thorough and comprehensive recommendations about the legislation—and the manner in which it deals with all the functions of the Auditor General. Surely no one can—suggest from the behaviour of the government with respect to this process that there are restrictions or unfair limitations on the scope and function of the Auditor General. He himself drafted the proposed legislation. It was not presented directly to this House by the government; it was presented to the Standing Committee on Public Accounts which as we know is headed by an opposition member.

The remarks made on television by the two members criticized the Auditor General for pitting his judgment, on matters of government policy, against that of the government. That is not his job and we should make that clear. We fully support the statements of our members in that respect. I fail to see how anyone can be critical of the proposed legislation. If anyone on the opposite side has any criticism of the way in which the Auditor General's act was drafted, I would like to hear it. I do not understand how there could be criticism because the Auditor General prepared the legislation, which is supposed to be restrictive in its scope. The truth of the matter is in the motion which reads as follows:

> That this House condemns the government for criticizing the Auditor General of Canada for carrying out his duties according to law—

That is patently absurd.

> —and reasserts its supports of the principle of unfettered parliamentary scrutiny of government expenditures—

There is no question about that.

> —including the right of the Auditor General to comment on the failure of the government to make expenditure in strict compliance with parliamentary appropriation—

There is no question about that. The following I think is the catchphrase:

> —and to report on these and any other cases he feels should be brought to the attention of Parliament.

That is the area of this motion which I find unacceptable because it seems to delegate to the Auditor General the wide and sweeping right to criticize this Parliament in any way he wishes. It is not his function to criticize government policy, decisions, proposals, legislation and programs of every sort. That, Mr. Speaker, is an accurate and complete description of the role of the official opposition. In conclusion, I think we can very well understand why this motion has been put. The simple and plain reason why the opposition want the Auditor General to be able to carry out that function is because they now recognize their own dismal failure to do the job of the official opposition.

Mr. Lewis: Since it is six o'clock, Mr. Speaker, may I call it six o'clock?

The Acting Speaker (Mr. Béchard): It being six o'clock, I do now leave the chair to resume the same at eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. David Lewis (York South): Mr. Speaker, I suppose it is too much to hope that we would reach a point in some debate in this House at which a minister would be ready to admit, frankly and forthrightly, that he had said something which on sober, or drunken reflection—I do not care which—he had found to be wrong.

I would say in the presence of the President of the Treasury Board (Mr. Drury), as I say it now in his absence, that his speech this afternoon was either a concoction deliberately designed to confuse everybody or else it was a rejection or retraction of the criticism he had made of the Auditor General in his broadcast.

An hon. Member: Both.

Mr. Lewis: I hope it was the latter. Or it may have been both, as was suggested. I hope it was a retraction of that criticism. I would have respected the hon. gentleman a great deal more if he had possessed whatever was required—I am not going to find a word for

it—to say frankly to this House and to the country that he had made a mistake. Then, at least, we would be discussing the issue of the Auditor General without all the exchanges which are now involved.

Backbenchers who participated in this debate would have given those of us who are in the opposition, and people who are outside, a great deal more confidence in their integrity and objectivity if they had said they would vote against the motion—I would not expect them to vote in favour of a motion of non-confidence against their own government—but that in their view the President of the Treasury Board had been wrong in what he said on television. It might be that those words came out of his mouth without sufficient thought having been given to them. I say this because of the kind of speech he made and the way in which this issue arose. It is disturbing, and it will continue to be disturbing as long as the hon. gentleman does not say in a forthright manner, "What I said on April 11 was wrong." So long as the President of the Treasury Board does not say this, we continue to be disturbed.

The issue arose out of what he said during that broadcast. Never mind the statement by the hon. member for Sudbury (Mr. Jerome) that it is necessary to put the minister's remarks in their context. Here is the context in itself. On April 11 he said that the Auditor General had "expressed his view as to the appropriateness of some government policies". I ask hon. member to note the following words:

> In this sense he is pitting his judgment as to sound business practice and sound government policy against the government's and, not unnaturally, you would not expect the government to agree with his judgment in every instance. I wonder, myself, whether the Auditor General should cast himself in this role, or whether we should look for, really, another kind of person to be Auditor General.

This is what gave rise to the fear in this House and in the country as to what the government intended to do with the position of Auditor General. If this is not what the President of the Treasury Board meant—and his speech today did not suggest this kind of thing—then he should have said so when he addressed the House. Many of us say things off the cuff in reply to questions on television and elsewhere which we might later regret. But in a matter of such importance as this, a minister, a member of the government—I see the hon. gentleman is now in the House, so I can use the word I did not use before—a minister should have the courage to say, "I made a mistake in using the words I did; this is what I meant—" thereby removing the fear which is justifiable as long as those words remain on the record.

[Mr. Lewis.]

Two parts of the minister's statement are of particular importance. The first constitutes an objection to the Auditor General using his judgment as to what is sound business practice. Mr. Speaker, it is a basic duty of the Auditor General to analyse and, if necessary, to criticize the business practices of the government or any of its departments. For a minister to object to the Auditor General doing this is most disturbing. It is an illustration of the arrogance to which we have drawn attention so many times and it is part of the picture to which I shall refer later.

Then the President of the Treasury Board went on to say: "I wonder ... whether we should look for, really, another kind of person to be Auditor General." If, in plain English, this does not mean that he—and presumably he speaks for the government—was contemplating kicking Mr. Henderson out of his job, I should like to know what those words do mean. This was a disturbing thing.

• (8:10 p.m.)

Then today the President of the Treasury Board, both in his speech and I think in reply to some questions, said that this motion which the Leader of the Opposition (Mr. Stanfield) has moved is based on a wrong premise. At one point he said that it suggests there was criticism of the Auditor General. There is none, said the minister. Either he was telling the truth today or he was telling the truth on April 11. If he was telling the truth today, he should have said that what he said on April 11 was wrong. Then we would have had some kind of understanding of the basis on which this discussion is carried on. But so long as he leaves that statement on the record we have a right to be disturbed about the intentions of the government and of the President of the Treasury Board, despite the speech that he made this afternoon. If his speech was intended as a repudiation of what he said on April 11, I ask him to say so or to get somebody else to say so. If it is the case that he does repudiate it, then indeed he has the right to say that the motion is based on a wrong premise.

The fact is that much of the speech of the President of the Treasury Board today contained material with which all hon. members of the House agree. Many of the suggestions that he made for improving the relationship

between the Auditor General and the government would, I am sure, be accepted by the members of the Public Accounts Committee and most of the members of the House. I see nothing wrong in his suggestion that he or members of the government should be able to explain an action which is being criticized by the Auditor General. But the Auditor General has to retain his right to criticize. What did he say with regard to the concessions made to the automobile manufacturers? I should like to put on the record the sort of thing that he said.

What we on this side of the House are standing for, as I understood the Leader of the Opposition and my leader, what we are asking the government to accept is the right of the Auditor General to say these things. If there is an explanation to be given, then the minister should appear before the Public Accounts Committee to give it. He should satisfy the members of the Public Accounts Committee that what was done was the right thing; that the procedures that were followed were the right procedures; that the business practice that was employed was the right business practice.

If I may summarize what the Auditor General said, to save time, instead of reading his words, he said that the Tariff Order did not contain all of the criteria which the government applied in paying out over $180 million; that the fact was that one of the companies, the company that received $173 million, did not meet the criteria established in the Tariff Order, and that the government paid out money by Order in Council which, as I read the Auditor General, remitted or forgave payment and was not justified by the criteria in the only instrument which could justify it, namely, the Tariff Order. He said it is therefore essential that the Motor Vehicle Tariff Order, 1965, be amended to spell out all of the criteria to be followed in determining liability for payment of duty.

That, in summary, is what the Auditor General said and is what the Prime Minister (Mr. Trudeau) and the President of the Treasury Board objected to. It is because they objected to the Auditor General saying what it is his duty to say that we in the opposition believe the government ought to be castigated and that the members who have the courage to do so ought to vote for the motion and tell the government they must stop that sort of thing.

This is part of a picture that we have seen ever since this government took office. I cite the treatment by members of the government, particularly by the Prime Minister, of questions during question period and the attempt time and time again to make both Parliament and Members of Parliament look silly. Perhaps in some cases it may not be very hard to do that, including my own case. But that is not the job of the government. Let them leave it to us; we will do that on our own.

The general attitude toward Parliament by the government is characterized by an arrogance that apparently has no limit. Even the Auditor General is fair play for the Prime Minister and the President of the Treasury Board whenever they feel like it. As pointed out by the two leaders who spoke this afternoon, the Auditor General is an essential part of the democratic process in this country, indeed in any democratic society.

It is important for Parliament and for the people of Canada to recognize that there are two kinds of policy matters. There is the policy matter that is concerned with the actual program that the government is given legislative authority to introduce and to implement. Then there is the policy that sets out the way in which the government's program and expenditures are in fact implemented.

The policy respecting the way in which expenditures are in fact implemented is precisely within the sphere of the Auditor General to study, to analyse and if necessary to criticize in order to improve the policy by which expenditures are carried through. The procedures that are used and whether or not there is legislative sanction for the way in which this is done are both part of the function of the Auditor General, as clearly described in section 67 and following sections of the Financial Administration Act.

With only 15 minutes in which to speak and with mine almost up, it is difficult to cover everything. But it is the readiness with which the President of the Treasury Board, more directly than the President of the Privy Council (Mr. Macdonald), says that the Auditor General is stepping over the mark, and therefore that the government has to look for somebody else, that has disturbed the members of the opposition and is a condemnation of a government which wants to curtail the freedom and opportunity for work that the Auditor General in fact must have, and does have, under the legislation.

Finally, may I say that if the President of the Privy Council speaks this evening he will perhaps fill the gap which has been left. Even

in his speech this afternoon the President of the Treasury Board said that the Auditor General must not enter into policy matters. He said he must not lend himself to becoming part of the "adversary situation in Parliament", with which everyone agrees. But by saying that he is suggesting that the Auditor General has in fact lent himself to being part of the adversary situation in Parliament, and that is a pretty serious charge.

If I were the Auditor General, I would by implication consider that that was a pretty serious charge. I am not saying that the minister said that in so many words. Perhaps I would have respected it more had he done so. But by saying that the Auditor General must not permit himself to become part of the adversary game in Parliament, the President of the Treasury Board is implying that the Auditor General has in fact done so.

As I say, if I were Mr. Henderson I would consider that a pretty serious charge. I would say, as I say now to the President of the Treasury Board, that he had no right to make that statement unless he was willing to document the truth of it. This he did not do. Even in his speech this afternoon there was not a single word about the policies with which the Auditor General is supposed to have interfered. There was not a single word about the way in which he is supposed to have helped whatever it is that the President of the Treasury Board meant by the "adversary situation" in this Parliament. That is mere innuendo.

Mr. Drury: Oh, come on!

Mr. Lewis: Yes, it was innuendo. It was a charge against the Auditor General which, in effect, condemned him by implication without a single word of evidence to support that accusation and charge. One asks oneself why an intelligent person who knows what he is saying—the President of the Treasury Board is an intelligent man who knows the words he uses—makes charges by implication, knowing they are charges by implication, without documenting them, unless it is that he is deliberately setting out to undermine both the person and the office of the Auditor General. That is precisely what the President of the Treasury Board has done, and that is precisely why the motion moved today ought to be supported, as well as the amendment.

• (8:20 p.m.)

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, it is rather difficult to follow the hon. member for York South (Mr. Lewis). I often prepare remarks and intend to state them, but after listening to him I have the tendency to deal with his remarks and not concentrate on those I have prepared.

Mr. Woolliams: You are on the defensive now.

Mr. Allmand: If you want to make a speech, get up and make one.

Some hon. Members: Oh, oh!

Mr. Allmand: The hon. member for York South and some other members over there like to talk about the rights of Parliament during speeches in this House, but when it comes to protecting those rights they are a little two-faced about it.

Some hon. Members: Hear, hear!

An hon. Member: You are getting touchy.

Mr. Allmand: I have heard the hon. member for Calgary North (Mr. Woolliams) make many great speeches in the House about the rights of Parliament, but I would say he is one of the worst offenders in the House in respect of the rights of Parliament. I have heard him interrupt many speakers in this House when they were trying to put forward their views.

The hon. member for York South in his speech talked about innuendoes and arrogance. Of all the speakers in this House to talk about arrogance, the last one that should do it is the hon. member for York South. I think I have heard more arrogant speeches by that hon. member than by all the hon. members of this House put together. If innuendoes were not directed at the President of the Treasury Board (Mr. Drury) today by the hon. member for York South, I do not know what innuendo is.

Mr. Lewis: You certainly do not.

Mr. Allmand: All during his speech he was—

Mr. Lewis: It was a very forthright statement.

Mr. Allmand: During his speech today there was more innuendo than in all the speeches made by the President of the Treasury Board. This motion is divided into two parts. The second part reads that this House—

—reasserts its support of the principle of unfettered parliamentary scrutiny of government expenditures including the right of the Auditor General to comment on the failure of the government to make expenditure in strict compliance with

parliamentary appropriations and to report on these and any other cases he feels should be brought to the attention of Parliament.

I think we all agree 100 per cent with that part of the motion. As the President of the Treasury Board said this afternoon, that is taken almost word for word from the statute itself, and as the law of Parliament we fully support it. I fully support it and would not suggest it should ever be changed in any way. However, the first part of the motion states:

That this House condemns the government for criticizing the Auditor General of Canada for carrying out his duties according to law—

I cannot and will not support that part because surely it is not true. This afternoon the President of the Treasury Board stated he had never made any such criticism and neither had the government. I saw the television program in question on which the statement of the President of the Treasury Board was supposed to have been made. This was one of those television programs on which a minister sits before a panel of journalists and is grilled by them over a period of time. It was one of those programs during which they deal with many subjects.

Mr. Lewis: The minister could defend himself better.

Mr. Allmand: Maybe he could. That is another of those arrogant remarks the hon. member for York South interjects in speeches. I know very well that the President of the Treasury Board is capable of defending himself, but I feel that if this is a worthwhile motion I should give my point of view.

As I said, I watched that program. The questions put to the minister related to many subjects. For the most part they dealt with the situation in respect of the Post Office. The interviewers bombarded the minister with questions, and he handled himself in a very cool way: I thought he handled himself very well. When we come to the particular statement when he was talking about the Auditor General, he said—I do not have the exact words but the hon. member for York South had the transcript and read them into the record—something to the effect that we should look for another kind of person, or another person for this role.

I must admit that I had doubt as to what he meant. I did not know what the President of the Treasury Board meant when he said that. The questioner who heard his remark must also have had some doubt in his mind because within very few minutes he put a question directly to the President of the Treasury Board, asking if this meant that the government was trying to get rid of the Auditor General or to restrict his role. The President of the Treasury Board replied directly and categorically that they were not. I would think that if members of the opposition really had the courage to be honest, they would admit that this reply clarified the issue. The hon. member for York South was talking about courage this evening. As far as I am concerned, that reply settled the issue for me and I think it settled it for the people who were questioning the minister that day.

The next morning I saw a large headline in the Montreal *Gazette* to the effect that the President of the Treasury Board wanted to tamper in some way or another with the role of Auditor General. Of course, this is the type of headline we very often see in our papers: it is the result of a journalist looking for innuendoes and for division, for scandal or any type of weakness in words in order to make some kind of complaint against ministers or Members of Parliament whether they be on the government or the opposition side.

I saw that program, and the original doubt I had in my mind about the statement was completely cleared up by the very categorical statement made by the minister later in the program. On the following Monday and Tuesday questions were put not only to the President of the Treasury Board but to the President of the Privy Council (Mr. Macdonald) and the Prime Minister (Mr. Trudeau). They were asked whether there was any intention on the part of the government to restrict the role of the Auditor General or to replace him. On every occasion they said no, and it was very clear that they said no.

This afternoon the President of the Treasury Board repeated this denial. Not only did he say the government did not want to tamper in any way with the role of the Auditor General, but he said it was the government's intention to make the role of the Auditor General more independent and to give him greater control over his office. He said it was the intention to take his salary out of the statute and tie it to that of a judge of the new federal court.

As a matter of fact, the recommendation this afternoon of the minister went much beyond the requests in the report of the Auditor General in which he asked for certain improvements in his office and in his role. I feel that this type of motion put before

us by the opposition is an attempt to create an issue. There are not enough real issues to deal with, so the opposition is trying to create one by putting forward a motion like this.

In his speech this afternoon the President of the Treasury Board said there were four general issues which emerged from the recent report of the Auditor General. The first relates to the independence of his office, the second to his role and responsibility, the third to the responsibility of the government to respond to the criticisms which he advances, and the fourth to the status of the Auditor General and his office. As I pointed out, the minister stated that all these recommendations had the support of the government and the government was willing to move on them and even go beyond those made by the Auditor General.

The minister also admitted that the government had perhaps not been as effective as it might have been in responding to some of the criticisms of the Auditor General. He stated the government was willing to take steps to improve this situation. He also stated he would recommend that the government be obliged to give a report each year in which it would answer to the House of Commons in respect of recommendations put forward by the Auditor General, and that this report would be considered by the Public Accounts Committee at the same time as the report of the Auditor General.

• (8:30 p.m.)

In conclusion I wish to make very clear tha I fully support the role of the Auditor General and the present Auditor General in his job. I think we must protect him in that position and I believe he has every right to put forward his criticism in respect of waste, misappropriation and, as the minister stated this afternoon, probity. I do not think, however, that he should be in any way implicated in any type of policy discussion or pushed into any type of partisan role. Perhaps when the government brings forward its bill this matter will be clarified. The minister stated that on the whole the government would be dealing with the requests of the Auditor General himself in respect of this bill. I felt I should speak in the debate because there has been some doubt about this question and I wished to make clear my position on the matter and state that I intend to vote against both the amendment and the motion.

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, my reason for speaking to the motion is that I wish to leave no doubt in the mind of anyone within the sound of my voice this evening how I intend to vote. I intend to support the motion and I should like to give some of the reasons for my position. The previous speaker mentioned that he could not support the first part of the motion, which I believe is the part which should be supported. I belong to the school of people who believe that when members of a government make public utterances they are advancing the general policy of the government. So when the President of the Treasury Board (Mr. Drury) and the President of the Privy Council (Mr. Macdonald) make public utterances I believe it is appropriate that the public in general, in this case the people of Canada, should consider they speak for the government. On that basis the motion does condemn the government, but I submit the government deserves to be condemned for this particular reason.

Some hon. Members: Hear, hear!

Mr. Flemming: The motion condemns the government criticizing the Auditor General of Canada for carrying out his duties according to law. Some members who have spoken this afternoon take exception to this language. Personally I do not take exception to it for the reasons I have just given the House. When two members of the government make public utterances concerning a dedicated public official and a man who occupies a position of great public trust, or when they make critical speeches concerning him, this becomes the policy of the government and deserves the condemnation of every member of this House.

I submit that this motion is also a motion of confidence in the Auditor General. I have the honour to sit on the Public Accounts Committee. It is a privilege to sit on that committee. I find that the attitude of the Auditor General toward public questions and toward the various inquiries which he makes by reason of his official position is an extremely fair one. I have never seen any indication of anything which I thought savoured of anything more than a reference to the actual facts which he could substantiate.

I have had some experience with auditors general in another capacity and I submit that in my opinion the government, or any government generally speaking should appreciate having an official of the importance of the Auditor General giving it honest-to-goodness

opinions concerning policy as well as facts. I have never been interested in hiring people in my business who were just yes, yes people. I prefer to have someone who will disagree with me and say, "Mr. Flemming, you are wrong about so and so and should change your mind about such and such". To me that is the proper type of person to be giving advice to a government, an individual or people interested in the public welfare. Therefore, I submit that it is not in the best interests of the country for any member of the government to advance the idea that the Auditor General must not under any condition or circumstance say anything which could be construed as being a reflection on public policies. It is important that the Auditor General should feel free to do this, and it is better for the government because the government should benefit from his advice.

I have spoken about the office of the Auditor General and my conception of what the Auditor General should do in his public capacity. Now for a moment I wish to refer to the general reputation the present incumbent of this office has in the hearts and minds of the Canadian people. He has been referred to as the guardian of the public purse. That is a good description. He has been referred to as the protector of the taxpayer. I say, with great respect, God knows that is needed. He has been referred to as the watchdog of the treasury. According to what we hear, this government needs a watchdog. But why would anyone hire a watchdog and then try to prevent it from barking? That, apparently, is what this government wants to do. I submit that all these descriptions indicate a great degree of confidence and public trust in the Auditor General. This motion not only condemns the government but expresses confidence in the Auditor General. This is another reason to vote for it. This confidence is well-deserved.

Generally speaking, all members who have spoken today on this subject have indicated their complete confidence in the Auditor General, but recent events lead us to believe the government does not share this opinion. The Prime Minister (Mr. Trudeau) and the previous speaker have referred to legislation that will be brought down in this House and we as members will be asked to consider and vote on it in the public interest. As the Prime Minister said the other day, this legislation will define the duties of the Auditor General. I submit the inference to be taken by the House is that the legislation will restrain the Auditor General from fulfilling his functions to a certain degree, because when you define duties and go to the trouble of putting them down on paper it means you are not satisfied that the person holding the office is not overstepping the bounds of his authority.

• (8:40 p.m.)

Let us look at the Auditor General's authority. From where does he derive it? The Leader of the New Democratic Party (Mr. Douglas) gave the answer to that question this afternoon. My friend, the hon. member for Grey Simcoe (Mr. Noble) read from the document this afternoon. The hon. member for Sudbury (Mr. Jerome) who spoke just before the supper break complained that the Auditor General had no business bringing these matters before Parliament and that he was exceeding his authority.

All the hon. member needs to do is examine page 1 of the Auditor General's report for 1968. Reference has been made to this passage today, but I will read it again. It says that the Auditor General shall call attention to every case in which he has observed certain situations, and then it goes on to say:

> and to any other case that the Auditor General considers should be brought to the notice of the House of Commons.

That is his statutory authority. I submit it is pretty broad authority, and I think properly so. The government should welcome it because it has the effect of giving advance notice to all, in connection with the spending of public funds, that an accounting will be demanded, that the record shall be kept very carefully, and that discrepancies of any nature will be included in the report of the Auditor General and brought before Parliament which, after all, consists of the representatvies of the people. That is as it should be.

Mr. Speaker, I support the motion, first because it condemns the government, which should be condemned, and second because it is an expression of confidence in the Auditor General. Those are two very good reasons for supporting the motion. There are other reasons.

I think that when notice is served on us that legislation will be changed, we have to be careful. Only a few days ago I had the privilege of speaking in this House on the hate literature bill. I said that legislation such as this had not been thought of for almost half a century, and I asked why we had it before us. I ask now, why do we have to

redefine the duties and responsibilities of the Auditor General, if it is not for the purpose of clipping his wings? In my opinion that is the reason for the government bringing in the legislation. They are most unwise in doing so. It will probably carry by virtue of the government's majority, but so far as I am concerned it is most unwise.

As I said, we have had some experience with auditors general. I have found them to be highly dedicated men: I have never found one who was otherwise. Certainly the present incumbent is no exception—quite the opposite. I think we must of necessity consider what has been stated by the President of the Treasury Board in connection with the Auditor General. Mr. Henderson has uncovered case after case of government waste, extravagance, and bureaucratic bungling which have cost the taxpayers millions of dollars.

It is obvious that his persistent criticism of the government's slipshod methods, mishandling of public funds, its irregular administrative practice are irritating and outraging the present cabinet. So when the President of the Treasury Board was questioned as to whether the Auditor General should cast himself in the role in which he pits his judgment against that of the government, he said, "Perhaps we should look for, really, another kind of person to be Auditor General".

I agree with the hon. member for York South (Mr. Lewis) when he asked that the President of the Treasury Board clarify that statement. He should tell this House what he is looking for in an Auditor General. If he thinks we should have another kind of person, he should tell us what he is looking for. I submit that the Auditor General's function is to point out these irregularities to Parliament. I have no doubt that he is aware of what he is doing and I do not consider that he has made any attempt to pass judgment on government policies.

The House will remember that not very long ago various items of this nature were before the Public Accounts Committee. I think that the government chooses the wrong time—income tax time—to criticize the Auditor General. Canadians who will be paying their taxes within the next two weeks are bound to support the Auditor General who has shown where the government wasted $39½ million last year. The taxpayer looking at a T-4 slip and wondering how he will pay his bills with the little bit of money left after the government gets through extracting money from the pay cheque—this applies pretty much to all of us—is bound to support the Auditor General. He will find it difficult to agree that the Auditor General should have his wings clipped. Mr. Henderson pointed out that the government had built an $8,800,000 port in the lower St. Lawrence region despite studies which showed there was no ship traffic there at all.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. gentleman, but his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Apparently there is a disposition to allow the hon. member to continue. Is this agreed?

Some hon. Members: Agreed.

Mr. Flemming: I thank you, Mr. Speaker, and hon. members for this consideration. I will try not to infringe upon it any more than I require to finish this part of my remarks.

The President of the Treasury Board said, I believe, that the Auditor General should be preoccupied with accounting procedure. I submit that accounting procedure would not have said anything about the nearly $9 million that was wasted on that particular project. The Canadian taxpayer looking for a rebate to help pay some of his family's bills will be interested to hear about the $180 million being forgiven one of the large automobile companies, contrary to law.

Mr. Drury: Oh, oh!

Mr. Flemming: The President of the Treasury Board disagrees with that statement, evidently, but the fact is that the Auditor General did not criticize anything except that it was done without statutory authority. However, I shall not try to prove that point tonight. If somebody wants to argue the point, he can. But the fact remains that $180 million, in the aggregate, was remitted. There was talk this afternoon of whether it was remitted before or after but, Mr. Speaker, how can you remit something which you have not paid? I submit that is an appropriate question.

• (8:50 p.m.)

Since the House has been good enough to give me extra time I do not want to take advantage of that kindness and good nature, but I repeat that this is a most important motion. It is a motion that indicates condemnation for something that is wrong. It indicates confidence in someone who is right.

There is a principle established here in the interest of all Canadians, and I hope that everyone will vote for it.

Mr. F. J. Bigg (Pembina): Mr. Speaker, the motion before the House is a very serious one and I regret the necessity for it. Even after all these years there seems to be some misconception in the highest quarters as to what the Auditor General's job is and what our duties are with regard to it. He has been castigated in absentia, which is a cowardly act, and if we do not defend him with this motion I do not know where he will be defended. The foolish part of it is that his action and service are of such an outstanding nature as to need no defence, and I am almost ashamed to find myself in the position of advocate.

Some hon. Members: Hear, hear!

Mr. Bigg: As so often happens, Mr. Speaker, it becomes a matter of one side of the chamber calling down the other for its mistake, but of course I stand to be corrected. If the President of the Treasury Board (Mr. Drury) did not mean what he said, he did not dispel my doubts when he spoke this afternoon. If the President of the Privy Council (Mr. Macdonald) did not mean what he said, he has yet to make any statement which would dispel my doubts.

As a public servant, the Auditor General has no opportunity to defend himself and I would be delinquent indeed if as a member of the Public Accounts Committee I did not do my best to defend him. His crime, according to the President of the Treasury Board, is that he has usurped the prerogative and power of the cabinet and has taken upon himself legislative authority. But, Mr. Speaker, the President of the Treasury Board was trying to do by the back door what he did not have the courage to do by the front door.

Referring to a series of recommendations concerning the office of the Auditor General made by the Public Accounts Committee in 1966-67, the Auditor General in 1969 reported as follows:

> The committee is of the opinion that all of the characteristics, duties and functions of the office of the Auditor General should be set out in a separate act of Parliament governing this office instead of being a part of the Financial Administration Act.
>
> The committee is requesting the Auditor General to consult his legal advisers and to co-operate with them in drafting such an act for submission to the committee and to the government.

If there is a crime—I use that word advisedly, Mr. Speaker—then it is ours. If the Auditor General has been remiss in his duties, as far as I can see it is only in carrying out the wishes of a committee which is the link between Parliament and his very important and efficient office. I think that argument disposes of any suggestion that he has exceeded his duties. Indeed, had he not carried out our wishes I would be quite prepared to move, in the Public Accounts Committee, that he be asked to explain why, after being given two years to work upon it, he had not come forward with a suitable act.

I might go further and say that perhaps our committee had been delinquent in not taking more immediate action on this matter, had it not been for the fact that it is powerless to act until given the opportunity to meet under the authority of this House. We have often complained that we do not sit long enough or often enough to go into detail on very important matters.

Another misdemeanour of which the Auditor General was accused is the language used in his report. I do not know what kind of language he was supposed to use to explain, in dollars and cents, the negligent spending of our money. He is obliged to outline non-productive expenditures, but these have been interpreted as having some deep, dark meaning.

In 1961 the Public Accounts Committee, chaired by one of the most beloved members of the House, the previous Speaker and now a member of the other place, put forward the suggestion that each and every year the Auditor General should "list in the minutest detail all non-productive items which come to his attention."

If the Auditor General has erred, in my opinion and in the opinion of many within the sound of my voice he has only erred in performing his duties too well. He has in fact listed in his report, to the best of his knowledge and to the best of the ability of his staff, all the non-productive items coming to his attention. We could split hairs by arguing whether the adjectives used were correct, whether the spending of this money was negligent, criminally negligent or extravagant. I do not think the adjectives mean anything at the recommendation stage. If our feelings are that tender it might be suggested that the report be kept secret until the Public Accounts Committee, the body to which this report belongs, has approved it and that until then it should remain a privileged document.

Criticism of Auditor General

• (9:00 p.m.)

The Auditor General's duty, as I see it, is plain. He must act entirely in an advisory capacity to our committee. No matter what his opinions might be, so long as they are honest we, representing a cross section of the Canadian people, will look at them as carefully as we can and in as detailed a manner as possible in the time at our disposal. Only after we have made our recommendations is the government obliged to take any further steps. It can take steps without our advice, as it has on many occasions, and it can ignore our advice, as it has on a great many occasions.

Since our recommendations have been ignored over and over again during the past years, it is not surprising that our chief adviser—I am talking about the adviser to the Public Accounts Committee—should become a little impatient. The Auditor General would be a poor adviser indeed if he did not point out these leaks in the treasury.

Mr. Woolliams: And the extravagances.

Mr. Bigg: They appear to be extravagances, certainly; they run into tens of millions, and in some cases hundreds of millions of dollars. We are not just dreaming in this regard. I am impressed by the very restrained language which our Auditor General uses. He does not use inflammatory language; he uses language showing that he is alarmed as a good accountant, as perhaps the best accountant in Canada who has the confidence of the Canadian people and of the United Nations. He runs his office so efficiently that accounting departments of the great universities in Canada today recognize training in the Auditor General's department as being equivalent to apprenticeship in any firm of auditors of which the universities have cognizance.

It is not strange that the Auditor General, whose job is to discover horses on the payroll, the sale of railways between senior members of the armed forces and other matters that ought to come to the public's attention, should use adjectives which are not complimentary. It would be passing strange if he always used weak and subdued language in a great, dynamic young democracy like Canada. The people would not compliment the Auditor General nor our committee if this type of sloppiness and criminal negligence—those adjectives are of my choosing—were allowed to run unchecked.

I am shocked that any member of the government, let alone a cabinet member, should pour his venom on a man who is not in a position to defend himself. Something even more sinister may be behind this. The Auditor General was relatively secure so long as he did not tread on the really big, sacred cows. Unless I am mistaken, his criticism of the automotive pact really brought onto his head the fire from high places.

[Mr. Bigg.]

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I welcome this opportunity to express my view on the motion before the House and, particularly, on the work being done by our Auditor General, Mr. Henderson. I am a member of the Public Accounts Committee. During the previous year and this year I took a great deal of interest in the Auditor General's report and in the material which he brought to the attention of the Public Accounts Committee for investigation.

It seems to me that the recent attack launched against the Auditor General by two prominent ministers is extremely regrettable. It does something, I believe, to this institution and to the position of the Auditor General which all the words in the world cannot undo. It is regrettable particularly that those in the seats of power should see fit to criticize someone who, in my humble opinion, is doing the very job this House has told him to do. He is doing it ably and I believe he is doing it honestly. Of course, other members have said this.

The Auditor General is the watchdog over government spending and I believe it is absolutely essential that this House should in no way restrict his freedom to investigate, analyse and report his findings on every aspect of government spending. Any move by the present government to restrict a full and thorough review of spending by federal government departments will be a negation of democracy.

We boast about the rights of the citizens of Canada to full information on all and every government expenditure. I am certain that Canadians would not tolerate any move by the federal government or any government which would prevent this type of financial information being made public. The criticism in public of the Auditor General by the President of the Privy Council (Mr. Macdonald) and the President of the Treasury Board (Mr. Drury) in my opinion is a disgraceful and unwarranted attack on an individual who is carrying out the duties assigned to him by this House.

Those two ministers in my opinion are doing a disservice to the House, to the Canadian public and to their party when using their cabinet rank they try to silence a public official whose integrity and honesty is beyond question and who is carrying out the duties which, as I said earlier, Parliament laid down for him.

• (9:10 p.m.)

I understand other members have covered the responsibilities and functions of the Auditor General of Canada, which were laid down by this House. In part VII of the Financial Administration Act, Revised Statutes, chapter 116, it very clearly indicates that everything the Auditor General has done to date has been within the confines of the regulations laid down by this House of Commons. I am not going to go over them all again, but the act lists them and at the very bottom it adds that the Auditor General is entitled to look into any other things that he considers should be brought to the attention of the House of Commons. This is all the Auditor General and his assistants need to look into government expenditures and find out where foolish and faulty expenditures have been made. These are included in his report and it is then up to the committee to find out why these expenditures were made and what has been done year after year by the departments to correct stupid governmental spending. I think the Auditor General's Department is being handled in the way it should.

Any hon. member of this House who tries to put a muzzle on an individual who is pointing out fields of foolish public expenditure does not deserve to sit in this House, because this is the very essence of democracy. We are here as elected members from every part of Canada. We are spending the taxpayers' money. Not only do we spend the taxpayers' money as elected Members of Parliament but we are here to make sure we get good value for every dollar spent. What do we find? We find two responsible cabinet members on television and over the air telling the people of Canada that this is not the type of searchlight we want on the expenditures of this nation.

Some hon. Members: Shame!

Mr. Harding: I say this is wrong. We should be proud that we have men like Mr. Henderson and his assistants to check and delve into a small percentage of government expenditures. They do not have the staff to do the thorough job they should be doing. Every time a discrepancy is found by the Auditor General, the taxpayers of Canada save money. If we as Members of Parliament were doing the job we should be doing, we would make absolutely certain there was not a repetition of the stupid spending of public money which year after year we find in some departments of government. I am not saying that the departmental heads are dishonest. I am not saying that at all. However, many of these departments are so wide-flung that the man in charge loses control over the expenditures.

It is the job of the Auditor General to delve and find out where the errors are being made and to bring this to the attention of the House. It is up to us to do the rest. What would happen if we took the advice of the government and had the Auditor General doing strictly the job of accounting, making certain that the money is not being misappropriated in any way? If that were the case, hardly anyone in this House would have the slightest knowledge of what was going on behind the scenes.

It is the job of the Auditor General and his staff to dig in and find out where department heads and far-flung department areas are getting into financial trouble, and report back to us. Some of the cabinet members still have the audacity to stand and say that this man must be removed because he is embarrassing the government.

Mr. Macdonald (Rosedale): When did I say that?

Some hon. Members: Who said it?

Mr. Harding: This government is embarrassed. Every government has been embarrassed by the Auditor General's report.

Mr. Mahoney: The Auditor General will be embarrassed by your speech.

Mr. Harding: If the Auditor General embarrasses the government by pointing out foolish expenditures within a department, this is the way we learn. Departmental heads should accept the criticism which has been included in his report. It is his job to tell the Canadian people what is going on. It is amazing that in 1970 any cabinet member would stand in this chamber and tell the people of Canada that we are not to have a searchlight shining on public expenditures. If this government proceeds with the plan it has been advocating to muzzle the Auditor General and

his staff, they will pay for it in the next election because the Canadian people will not stand for this type of treatment by any government.

Some hon. Members: Resign!

Mr. Harding: Last year I was a member of the Public Accounts Committee. The committee checked the expenditures in connection with the *Bonaventure*.

Some hon. Members: Oh, oh!

Mr. Harding: This was embarrassing for the government. I was a member of the committee which visited the *Bonaventure* in Halifax. The committee found that silly expenditures had been made. The public of Canada was entitled to know about these. Members of all parties in this House were on that committee. They were unanimous that this type of investigation was necessary.

Some hon. Members: Hear, hear!

Mr. Harding: Not only do we have to check into these expenditures, Mr. Speaker, but we must stop them. The committee reached unanimous agreement. Every member of the committee, Liberal, Conservative, NDP and Creditiste agreed that the check we made would do good as far as having a searchlight on expenditures was concerned. There was nothing wrong with that. That is not telling the government what to do; it is telling the government that in certain departments or in certain aspects of departmental control there is laxity. If something has gone wrong, it must be checked. That is exactly what the Auditor General and his assistants do. They give us the lead and we are supposed to ferret out the rest of the information. The members are trying to do that honestly and openly.

As I said earlier, I regret the moves by responsible cabinet members. Even the Prime Minister (Mr. Trudeau) had indicated that this man has stepped outside the terms of reference given to him by the House. Anyone who reads them and says that the Auditor General has done something which he should not have done under the terms of reference is wrong. The terms of reference are wide enough to give him leeway to check into these expenditures. We expect him to check into them.

• (9:20 p.m.)

Recently, representatives of the CBC were before the committee. It was embarrassing to the heads of the CBC when certain expenditures in connection with Expo were brought to light. But I tell you this, Mr. Speaker: it was one of the best exposures made, and as a result the heads of the CBC have made up their minds that expenditures of this type will not be incurred again. What we need are not fewer people like the Auditor General, but more.

Some hon. Members: Hear, hear!

Mr. Harding: An economist, Mr. E. P. Neufeld, a professor of the University of Toronto, appeared before a Senate committee which was dealing with the financial affairs of the federal government. He advocated that instead of restricting our activities in this field, we should expand—that we should appoint other people knowledgeable in the sphere of economic development to check the type of programs upon which the government is embarking.

Last year the Minister of Regional Economic Expansion (Mr. Marchand) told the House that since 1963 we had spent $1 billion on programs throughout the length and breadth of Canada, more than half of which had been wasted because the right hand did not know what the left hand was doing. This is why I say we should endorse 100 per cent the work done by the Auditor General, and that we should not hesitate to accept the criticism which he levels at us in his reports.

Some hon. Members: Hear, hear!

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I am glad to have the opportunity of responding at this time to the fabrications and falsehoods of the hon. member for Kootenay West (Mr. Harding) who has just resumed his seat. I think the best place to start would be with the words quoted by the Leader of the Opposition (Mr. Stanfield) this afternoon—the words I used with regard to this particular question. I said I did not regard it as a responsibility of the Auditor General to criticize the policy underlying decisions taken by the government.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Nobody should.

Mr. Macdonald (Rosedale): That is an interesting statement by the leader of the New Democratic Party. It indicates the totalitarian mentality of those gentlemen over there. The fact of the matter is this: at no time did I say the Auditor General should resign, as the

hon. member said I did. The Leader of the Opposition was somewhat more careful in referring to what I said. I emphasized that it was not the responsibility of the Auditor General to criticize the policy underlying particular decisions.

This assertion was questioned by the Leader of the Opposition and by the leader of the New Democratic Party. I think we should look at these allegations and draw our own conclusions from the argument. It seems to me, as my colleague the President of the Treasury Board (Mr. Drury) said this afternoon, that efforts like those made by the Leader of the Opposition and the leader of the New Democratic Party to draw the Auditor General into arguments concerning policy are conduct of a kind which is the quickest possible way to destroy his role.

Mr. Douglas (Nanaimo-Cowichan-The Islands): You did it on March 25 on television.

Mr. Macdonald (Rosedale): I wish the hon. member would be more careful with the truth. He was rather more careful this afternoon than he has been speaking from his seat. At no time did I suggest that the Auditor General should resign, as the hon. member for Kootenay West stated. The hon. member for York South (Mr. Lewis) indirectly criticized the position taken by his own leader when he stated, agreeing with me, that basic policy was a matter for debate in this House between elected members; it was not the responsibility of the Auditor General.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Will the President of the Privy Council (Mr. Macdonald) answer a question?

Mr. Macdonald (Rosedale): The hon. member may ask me a question at the end of my remarks, just as he let other hon. members wait until he had finished.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Béchard): May we have order? The President of the Privy Council (Mr. Macdonald) has the floor.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, the fact that the President of the Privy Council is closing the debate does not mean he can make inaccurate statements. I am asking him to quote from the Auditor General's report a single instance in which the Auditor General has interfered with policy—

Some hon. Members: Oh, oh!

Mr. McIlraith: That is a specious point of order.

Mr. Macdonald (Rosedale): I see I have touched the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) to the quick. He is sensitive about the position he took this afternoon. He does not like it being demonstrated that the argument he put forward would, if accepted, lead to an important servant of the House being placed in an untenable position. It is not an argument which flatters him, nor does it flatter the opposition generally.

An hon. Member: Come off it!

Mr. Macdonald (Rosedale): If the best they can do in this debate is to try to shout me down, Mr. Speaker, that, too, says something about the pedigree of the hon. member's argument.

An hon. Member: Do not use that word "pedigree".

Mr. Macdonald (Rosedale): The Leader of the Opposition and the leader of the NDP leave themselves open to a suggestion that they do not want the Auditor General to be a faithful servant of the House but that they want him to be a faithful servant of the opposition.

Mr. Monteith: Nuts.

Mr. Macdonald (Rosedale): Despite all the pious talk we have heard this afternoon, hon. members opposite will have to go a long way to dispel the idea that through their actions they are trying to place the Auditor General in the position to which I have drawn attention.

Let us turn to the details of the motion. There is the amendment put forward by the hon. member for Nanaimo-Cowichan-The Islands. In my view, this can be dismissed at once. My hon. friend from Ontario (Mr. Cafik) punctured the hon. gentleman's case by pointing out that his twisting of the wording of the Financial Administration Act voided his own argument. I do not think the amendment put forward by the hon. member for Nanaimo-Cowichan-The Islands needs to be seriously considered by the House.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The Auditor General thought it was important.

Mr. Macdonald (Rosedale): I suggest that the hon. member for Nanaimo-Cowichan-The Islands is not important.

Mr. Stanfield: That is not something for you to decide.

Mr. Macdonald (Rosedale): The hon. member made a speech earlier today. If he is repenting of it now, if he has finally had a thought or two, we shall welcome the novelty and be glad to hear from him. The opposition motion and amendment ask the House to condemn the government for criticizing the Auditor General for carrying out his duties according to law. No speaker today from either the official opposition or the NDP has shown in any way that anyone on this side has criticized the Auditor General for carrying out his duties according to law.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): No member in any opposition party has established that the criticism was for failure to carry out his duties under the terms of the Financial Administration Act. My colleague, the President of the Treasury Board, pointed out clearly that it is the responsibility of the Auditor General, under the terms of that act, to examine carefully the books of account, the system of maintaining accounts, the system for checking and the manner in which public funds are expended. But nowhere at any time in this debate was there any substance for the allegation that is the key to this motion, namely, that the government had criticized the Auditor General for carrying out his duties according to law.

• (9:30 p.m.)

Let me now deal with the second part of the motion moved by the Leader of the Opposition. I think it reveals a rather interesting mentality on the part of the Leader of the Opposition, a rather interesting approach on his part to his and the opposition's role in this House. In his motion he talks about the House reasserting its support of the principle of unfettered parliamentary scrutiny of government expenditures. Whoever said that this support needed reasserting at this time? It was particularly ludicrous for the Leader of the Opposition to raise this point in view of the fact that during the course of supply debates, during the course of the provisions which under the rules of the House provide, to use his own terms, for the parliamentary scrutiny of government expenditures, opportunity for this sort of unfettered scrutiny arises.

The Leader of the Opposition raised the question whether this parliamentary scrutiny

exists. The fact of the matter is that it does exist most effectively. The opportunity for scrutiny exists in debates such as this, if they are made effective use of; in the extensive provisions that are available to hon. members in relation to the examination of spending estimates; in the course of the discussions on main estimates and supplementary estimates; and, in due course, in the look backward which takes place when the public accounts are published and the Auditor General brings down his report.

Mr. Basford: But they do not do their job over there.

Mr. Macdonald (Rosedale): That is true. The hon. member for Kootenay West was candid enough to admit that if the opposition really did its job it would look into policy considerations underlying government decisions. The fact of the matter is that this is really an admission of weakness on the part of this opposition.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): It is an admission that there has been some diminution of effective parliamentary scrutiny over government expenditure.

Mr. Woolliams: Mr. Speaker, I rise on a question of privilege.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Calgary North (Mr. Woolliams) is rising on a question of privilege.

Mr. Woolliams: Mr. Speaker, my point of privilege is this. I and the members of my party are members of the opposition. The President of the Privy Council (Mr. Macdonald) is attacking us personally as Members of Parliament and as members of the opposition. I should like to ask him, through you, Mr. Speaker, this question. I asked the Minister of Justice (Mr. Turner) the other day whether he received advice from the legal officers that the government was acting in accordance with the law, but the Minister of Justice would not answer my question. Neither would the President of the Privy Council answer. The hon. gentleman is now attacking us personally, yet the government will not give us the facts, in law or otherwise.

The Acting Speaker (Mr. Béchard): Order.

Mr. Macdonald (Rosedale): You will recognize, Mr. Speaker, that is no point of privi-

lege. If the hon. member, of course, wants to participate in the debate I will give him a few minutes to do so. If he has anything constructive to say at this point, I would be glad to hear from him.

An hon. Member: You are not the Speaker. Do not make rules for the Speaker.

The Acting Speaker (Mr. Béchard): May I have order, please.

Mr. Macdonald (Rosedale): A member of the Progressive Conservative Party said sit down.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): Mr. Speaker, this pretends to be a democratic party. This is its approach to Parliament.

Mr. Ricard: Do you remember when you shot down the Prime Minister?

Mr. Macdonald (Rosedale): Hon. members opposite seem to be a little nervous. Perhaps I could be allowed to be heard, though if they have something to say perhaps they will be given a few minutes to say it.

In other words, Mr. Speaker, there is no question here of requiring a reassertion of parliamentary scrutiny of public expenditures. This scrutiny has never been in doubt. For that reason, I suggest that that part of the motion put forward by the Leader of the Opposition is ridiculous. May I repeat what I said before, that there has never been on the part of any member of the government criticism of the Auditor General for, to use the words of the motion, carrying out his duties according to law. We respect the role that the Auditor General has been given according to law. We deny—and the hon. member for York South agrees with this denial—that the Auditor General's role is a political one. The political role should be exercised by Members of Parliament, not by the Auditor General.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): I might add, Mr. Speaker, that if any member of the opposition denies that that is the exact statement of the case, then this reveals a very strange mentality, firstly about the role of Parliament and the elected representatives and secondly about the office of the Auditor General. Therefore, on this basis I ask for the support of the House in rejecting the amendment moved by the hon. member for Nanaimo-Cowichan-The Islands, an amendment which was effectively rejected in the first few seconds of its life by the question asked by the hon. member for Ontario. And I ask for the support of the House in rejecting the motion moved by the Leader of the Opposition. I ask the House to express its confidence in this government.

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have just heard from the President of the Privy Council (Mr. Macdonald) what is simply the condemnation by the government of all those who dare oppose its policy. Those people who have been in power since 1968 seem to think that their opponents should be removed from the map.

Mr. Drury: They are wrong.

Mr. Asselin: That is also the attitude of the government towards the Auditor General. In fact, the President of the Treasury Board (Mr. Drury) and the President of the Privy Council have taken the liberty of publicly criticizing the Auditor General.

The President of the Treasury Board said on television that the Auditor General should be replaced because he had taken it upon himself to discuss government policy.

Mr. Speaker, the law clearly defines the duties and responsibilities of the Auditor General who must examine and carefully revise public expenses. Moreover, I must remind the President of the Privy Council and the President of the Treasury Board that the Auditor General is not responsible to the government but to the Parliament of Canada. Indeed, far from being the servant of the government, it rests with him to point out to Parliament extravagant expenditures made by the government from time to time—

• (9:40 p.m.)

An hon. Member: Often!

Mr. Asselin: The Auditor General is there to defend and protect the people, he is the ombudsman of the Canadian Parliament. If the Auditor General did not exist or could not have access to the books of the government, the opposition would not obtain the information—

An hon. Member: It is true!

Mr. Asselin: —which enable it sometimes to criticize the extravagance of the present government. Any administration which refuses to

be criticized by the opposition or by an official authority created by Parliament, to wit the Auditor General, is doomed, because it repudiates the basic principles of true democracy.

Some hon. Members: Hear, hear.

Mr. Asselin: Mr. Speaker, we know that for some months the government has been after the Auditor General's head. First the government was suspicious when he noticed the extravagant and scandalous expenditures for the building of the *Bonaventure*. The government's ire was stirred and today it wants to table a bill for the purpose of redefining the auditor general's role. It is a way of forcing him to tender his resignation, which would please the government greatly, because then he could be replaced by an obliging and docile character who would follow the dictates of the President of the Treasury Board and the President of the Privy Council.

An hon. Member: Shame!

Mr. Asselin: But we in the opposition do not agree with this view of the government. Moreover, it would appear that there is no unanimity within the cabinet. The President of the Treasury Board said on television that the Auditor General had to be replaced. However the President of the Privy Council declared that a bill must be introduced to redefine the responsibilities of the Auditor General.

The other day, the Secretary of State for External Affairs (Mr. Sharp) seemed to be taking side with the Auditor General when he said that there was no difference between the views of the Auditor General and those of the government.

Mr. Speaker, as long as the government does not acknowledge the relevance of the Auditor General's duties, the role of this important official in the administration of the country will simply be reduced to nothing because this government, since it came to power, has seemed to want to govern without taking into account the views of hon. members or those of the nation. As the Leader of the Opposition (Mr. Stanfield) said this afternoon, Mr. Speaker, we shall fight valiantly so that the Auditor General might keep his responsibilities, that Parliament might, with him, discuss and study thoroughly the expenditures which the government would like to hide from the people.

[*English*]

Mr. Speaker: Order, please. It being 9.45 o'clock p.m. it is my duty, pursuant to section 9 of Standing Order 58, to interrupt these proceedings and forthwith put every question necessary to dispose of the motion now before the House.

The question is on the amendment. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the amendment (Mr. Douglas, Nanaimo-Cowichan-The Islands) which was negatived on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Alexander
Alkenbrack
Asselin
Barnett
Bell
Benjamin
Bigg
Brewin
Broadbent
Burton
Coates
Comeau
Crouse
Danforth
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Fairweather
Flemming
Forrestall
Gauthier
Gilbert
Gleave
Godin
Hales
Harding
Harkness
Hees
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCleave
McGrath
McIntosh
McKinley
McQuaid
Marshall
Mather
Mazankowski
Monteith
Moore
Muir (Cape Breton-The Sydneys)
Nesbitt
Noble
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rodrigue

Rose
Ryan
Rynard
Schumacher
Scott
Simpson
Skoberg
Southam
Stanfield
Stewart (Marquette)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Valade
Winch
Woolliams
Yewchuk—77.

NAYS

Messrs:

Allmand
Andras
Badanai
Basford
Béchard
Beer
Benson
Blouin
Borrie
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chappell
Clermont
Cobbe
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cyr
Danson
Davis
Deachman
Deakon
Douglas (Assiniboia)
Drury
Dubé
Duquet
Forest
Forget
Foster
Gendron
Gervais
Gibson
Gillespie
Givens
Goode
Goyer
Guay (St. Boniface)
Haidasz
Hopkins
Isabelle
Jamieson
Jerome
Kaplan
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Laniel
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McBride
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Munro
Murphy
Noël
O'Connell
Olson
Otto
Ouellet
Pelletier
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Sharp
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Whelan
Whicher
Whiting—118.

Division

Mr. Speaker: I declare the amendment lost. The question is now on the main motion. All those in favour of the main motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

• (10:10 p.m.)

And more than five members having risen:

Mr. Speaker: Is it the wish of hon. members that we proceed with the division without ringing the bells?

Some hon. Members: Agreed.

The House divided on the main motion (Mr. Stanfield) which was negatived on the following division:

YEAS

Messrs:

Alexander
Alkenbrack
Asselin
Barnett
Bell
Benjamin
Bigg
Brewin
Broadbent
Burton
Coates
Comeau
Crouse
Danforth
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Fairweather
Flemming
Forrestall
Gauthier
Gilbert
Gleave
Godin
Hales
Harding
Harkness
Hees
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCleave
McGrath
McIntosh
McKinley
McQuaid
Marshall
Mather
Mazankowski
Monteith
Moore
Muir (Cape Breton-The Sydneys)
Nesbitt
Noble
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rose
Ryan
Rynard
Schumacher
Scott
Simpson
Skoberg
Southam
Stanfield
Stewart (Marquette)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Valade
Winch
Woolliams
Yewchuk—77.

Division

NAYS

Messrs:

Allmand
Andras
Badanai
Basford
Béchard
Beer
Benson
Blouin
Borrie
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chappell
Clermont
Cobbe
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cyr
Danson
Davis
Deachman
Deakon
Douglas (Assiniboia)
Drury
Dubé
Duquet
Forest
Forget
Foster
Gendron
Gervais
Gibson
Gillespie
Givens
Goode
Goyer
Guay (St. Boniface)
Haidasz
Hopkins
Isabelle
Jamieson
Jerome
Kaplan
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Laniel
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McBride
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Munro
Murphy
Noël
O'Connell
Olson
Otto
Ouellet
Pelletier
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Sharp
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Whelan
Whicher
Whiting—118.

Mr. Speaker: I declare the motion lost.

At 10.20 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, April 22, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

JUSTICE AND LEGAL AFFAIRS

Ninth report of Standing Committee on Justice and Legal Affairs—Mr. Tolmie.

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

BUSINESS OF THE HOUSE

ITEMS FOR BALANCE OF WEEK

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I wish to remind the House about the business for the remainder of this week. As announced, tomorrow will be the sixth and final day of the budget debate. On Friday we will call for debate the following items: First, government order 13, report stage of Bill C-10 with regard to the Canada Shipping Act; second, government order 76, report stage of Bill S-14, the radiation emitting devices bill; third, government order 15, consideration of Senate amendments to Bill C-12, the International Development Research Centre bill.

I confirm that tomorrow at the usual time I will make an announcement of the business for next week.

• (2:10 p.m.)

REGIONAL ECONOMIC EXPANSION

ANNOUNCEMENT OF SIGNING OF AGREEMENTS WITH NEW BRUNSWICK AND NEWFOUNDLAND GOVERNMENTS

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, it is my privilege to report that the formal signing of economic development agreements with the governments of New Brunswick and Newfoundland was completed yesterday.

These are agreements of a new kind. They provide for 100 per cent federal financing of a wide range of infrastructure projects which are necessary to economic growth and social progress but which the provinces and municipalities could not afford to carry out.

In the special areas designated in the two provinces, the infrastructure projects include water and sewer systems, industrial parks, servicing of residential land, schools and roads. The agreements also provide federal grants for the construction of important sections of provincial highways.

In the case of Newfoundland, the federal funds committed for the current fiscal year are $41.2 million, of which $31 million is in grants and $10.2 million in loans. The projects covered by the agreements are all to be started this year, but much of the work will be continuing next year. The ceiling for total federal expenditures on the projects is $82 million.

In the case of New Brunswick, the funds committed for the present fiscal year total $32.5 million, of which $22.7 million is in grants and $9.8 million in loans. The ceiling for federal expenditures to complete the projects is $62 million.

I should point out that these are not my department's only expenditures in the two provinces. In both provinces there is the ARDA program, and in Newfoundland there is also our assistance to the resettlement program. Our industrial incentives are available in both provinces but are at present more heavily utilized in New Brunswick than in Newfoundland. Also, we have in New Brunswick the two FRED plans. Thus the totals of my department's expenditures in the two provinces in the fiscal year will be very similar.

It should be said that these agreements are very different from, say, ARDA or FRED agreements. They are not concerned just with the principles of programs, leaving projects to be worked out later. The agreements themselves list the projects in some detail, so that work can be undertaken promptly.

One consequence, however, is that the agreements are rather large documents, and I regret that it will therefore be some days before they are printed in sufficient quantity for distribution. That will, of course, be done as soon as practicable. Meantime, I would add that in addition to providing in detail for projects to be started this year, the agreements commit us to federal-provincial cooperation in longer-term development plans.

On the basis of this first year alone, however, it can be said that never before has federal development assistance been provided on such a scale. I believe it will make an important contribution to the improvement of employment and earnings opportunities and to the lessening of regional inequalities in Canada.

Mr. James A. McGrath (St. John's East): Mr. Speaker, having listened to the minister's statement I think it is only fair to say there is really nothing new in what he told us. We have been expecting this program for the past two months.

The question naturally comes to mind: why the delay? Why has it taken so long to get these two agreements signed? Both provinces had been informed that the agreements would be ready for signature by April 1. In the case of Newfoundland it was expected that the agreement would have been signed and, indeed, implemented by now. The minister indicated in the House in reply to questions directed to him by members of the opposition that this would, in fact, be the case. It would appear, however, that he ran into some rough weather when he placed these agreements before Treasury Board.

I notice that the agreements call for a total expenditure of $41.2 million in the case of Newfoundland and $32.5 million in the case of New Brunswick. What I find interesting is that in the case of Newfoundland the total amount is broken down into $31 million in grants and $10.2 million in loans and, in the case of New Brunswick, $22.7 million in grants and $9.8 million in loans. So far as the province of Newfoundland is concerned, I doubt very much whether the economy of the province can assume the burden of this additional debt. The province is already approaching the $1 billion mark in provincial debt and the amount is now reaching serious proportions. I doubt very much whether Newfoundland can assume this additional burden. I suggest that if the facts were known the same would apply in the case of New Brunswick, which now finds itself having to assume an additional burden of some $9.8 million of provincial debt.

I also understand that these one-year programs are to be followed by longer five-year programs which are to be signed later this year. The government of Newfoundland has indicated that it expects to have its five-year program with the government ready for signature by July, though this does not coincide with the minister's timetable.

[Mr. Marchand (Langelier).]

These programs certainly cannot be the answer to all of the problems that are facing these two hard-pressed provinces. The great danger, as I see it, is that in the case of my own province, and perhaps less so in the case of New Brunswick, this particular program has been presented as the panacea for all our troubles. I think this is a great mistake because it places too much emphasis and promise on these programs, as I think the minister will be the first to agree.

It is fair to say in this regard that as far as Newfoundland is concerned the program, in my view, has been grossly misrepresented. There is no question that both provinces, Newfoundland and New Brunswick, are in very serious financial difficulties, largely as the result of many years of regional and economic disparity but also due to the consequences of the mismanagement of both provincial economies.

Unemployment in both provinces is at a rate which would not be tolerated in any other province in Canada. The per capita income of both provinces equally would not be tolerated in other areas of Canada. The per capita income of the people of the province of Newfoundland is such that it places many Newfoundlanders well below what has been defined by the Economic Council of Canada as being the poverty line.

I note that the minister's estimates are now before the Standing Committee on Regional Economic Expansion and I hope the minister will explain the programs when he appears before the committee later this afternoon. I see him shaking his head in the negative, but I hope that when he does appear before the committee he will be able to explain these programs in much greater detail.

Naturally we hope that these programs will be successful because the problems that are facing these two provinces are very severe. However, we have grave doubts about the success of these programs if the government persists in its present policy of curbing inflation without recognizing economic disparity as the number one problem in Canada.

Mr. John Burton (Regina East): Mr. Speaker, all of us in the New Democratic Party are happy to learn that agreements have been signed by the federal government with the provinces of New Brunswick and Newfoundland. May I thank the minister for his courtesy in making available to us a copy of his statement prior to his announcement in the House.

• (2:20 p.m.)

We certainly hope that further agreements will be forthcoming shortly with the other provinces. I suggest there is urgency in this matter if in fact these programs are going to be of any benefit during the current year in relieving very difficult economic situations.

I want to draw attention to and welcome the comprehensive features of the plan as they were referred to in the minister's statement, particularly the emphasis that is being placed on infrastructure projects. Certainly we hope that this principle and approach will be applied in the agreements with other provinces as well, because we feel it is important to develop an adequate infrastructure across Canada, very often involving projects beyond the financial and fiscal capacity of the provinces, if we are to establish an equality of standards throughout the country.

It is difficult to make adequate comment on the over-all program announced by the minister since, as he mentioned, the agreements are not available yet, but I think some note should be taken of the implications of the minister's announcement in terms of an adequate degree of economic planning and the development of economic plans in all the provinces concerned. Certainly adequacy of economic planning is essential to the success of these programs. I note with regret that an adequate degree of planning has been absent from many aspects of the department's programs. These agreements I feel possibly show a continuance of this approach of ad hocery. We have had the ARDA program, then the FRED program, the industrial incentives program, and now we have these agreements. It seems to me that this involves an ad hoc approach. I believe that the department and the minister should review their programs in order to develop a comprehensive integrated plan of action. It is very important as well that adequate funds are committed to these programs if they are to be successful.

Attention should also be drawn to the fact that various regions of Canada which the minister is attempting to help with these programs are being seriously hurt by the government's present national economic policies. This includes New Brunswick and Newfoundland with which agreements have now been signed. The minister should make every effort to relate his programs to over-all economic policies in Canada. I hope he can persuade his colleagues and seatmate, the Minister of Finance (Mr. Benson), to abandon the present sterile and ineffective policies which are doing great harm to regions of Canada such as those involved in this announcement today, and which can negate much or all of the beneficial aspects of regional development programs.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, the statement the Minister of Regional Economic Expansion (Mr. Marchand) has just made to the House refers to projects in which the provinces of Newfoundland and New Brunswick will surely be interested. I toured those provinces last summer and I saw that all kinds of public works were called for in order to provide the population with greatly needed services.

However, since the minister says in his statement that the projects are possible through an agreement with provincial governments, I wonder if the public works will come under the jurisdiction of both provinces and municipalities or only that of the provincial government once the required agreement is signed.

I also consider this to be an effective way of creating jobs in those poor areas which really need assistance to reach the same development level as the other regions in Canada.

However, if it is possible to conclude agreements with Newfoundland and New Brunswick, I would point out to the minister that there are also special zones and designated areas in the province of Quebec and more especially in the Bellechasse constituency. There is especially in Montmagny an urgent problem to solve in connection with the dredging of the basin, in order to enable ships to reach the wharf there. That project would create some employment and give to the people the purchasing power they lack at the present time. I understand that in the carrying out of those works, most of the money would be affected to the purchase of materials of all kinds and that the labourers would receive the smallest share.

It is true that the project would surely help to improve the lot of the people, but there remains a step to be taken. I suppose that to finance these projects it will be necessary under the present system to run again into debt, to increase the burden of the taxpayer who will have even less than before. That is why I am taking the liberty of asking the minister and the government if it would not be advisable for once to use the services of the Bank of Canada to finance these public

works and thus relieve the taxpayer. When we give him something with one hand and take it back with the other, little is accomplished. It is nevertheless the practice under the present system. This is why I am offering this suggestion as I believe it would be the ideal opportunity for trying the experiment.

[*English*]

Mr. Speaker: Shall the remaining questions stand?

Mr. Paproski: Mr. Speaker, I refer to my question No. 1403. It is very simple and straightforward. I therefore find it very difficult to believe the government is so incompetent that it cannot answer my simple question.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

RAILWAY LCL TRAFFIC, ATLANTIC REGION

Question No. 324—**Mr. Coates:**

What is the total amount in tons of less-than-carload-lot traffic that has entered the Atlantic Region from the remainder of Canada during the last fiscal year of the railways concerned and what has been the gross revenue to the railways for the transportation of these goods?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: The Company does not maintain records that would readily disclose the volume and revenue associated with less-than-carload-lot traffic moving from one part of the system to another as such information has no managerial significance. To develop the data to answer the question would require considerable expenditure of time and money.

ST. LAWRENCE SEAWAY—LIMITATION OF SPEED OF SHIPS

Question No. 1,123—**Mr. Godin:**

Does the Canadian Government intend to implement the recommendation of a Canada-U.S. committee to the effect that the speed of ships using the St. Lawrence Seaway be limited to 15 mph?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The St. Lawrence Seaway Authority advises as follows: Yes.

CNR—NUMBER OF PERSONNEL EMPLOYED IN VARIOUS CATEGORIES

Question No. 1,180—**Mr. Reid:**

For the years 1950, 1960, 1965 and 1968, how many persons were employed in the following categories by CNR (a) non-operators (i) clerical (ii) mechanical trade (iii) others (b) train operating trades (c) management (i) senior management staff (ii) middle management staff (iii) supervising staff?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: That, with the exception of the year 1950 where internal reports have been used, the figures are derived from Part VI (Employees Statistics) of "Railway Transport" published annually by the Dominion Bureau of Statistics. Accordingly, management personnel have been grouped as reported to the D.B.S., i.e. managerial and supervisory, professional and technical and other. The latter category includes chief clerks, assistant chief clerks, office supervisors and supervisory and assistant supervisory agents.

	1950	1960	1965	1968
Non-Operating				
Clerical	14,895	14,833	13,577	12,759
Mechanical Trades (Shopcrafts)	20,852	13,671	12,911	12,046
Others	39,417	37,535	32,439	26,321
Operating	16,610	15,223	13,568	12,614
Management				
Managerial and Supervisory	3,245	3,910	3,827	3,863
Professional and Technical	1,101	1,849	3,303	3,363
Other Supervisory	571	828	875	887

SUBSIDY PAID TO FISHERMEN—1960-1969

Question No. 1,346—**Mr. Robinson:**

What was the total subsidy paid to fishermen during each of the years 1960 to 1969 inclusive?

[Mr. Lambert (Bellechasse).]

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1960-61, $468,589.30; 1961-62, $347,347.90; 1962-63, $402,497.52; 1963-64, $382,336.10; 1964-65,

$326,854.96; 1965-66, $299,854.91; 1966-67, $284,223.84; 1967-68, $51,399.20; 1968-69, Nil.

*INFORMATION CANADA—USE OF TELEVISION TO ADVERTISE PROPOSALS OF POLITICAL PARTIES

Question No. 1,447—**Mr. Beaudoin:**

Will Information Canada use the television medium as a vehicle to advertise government policies and, if so, can this agency also make known the opinions and attitudes of opposition parties concerning such policies?

[*Translation*]

Hon. Robert Stanbury (Minister without Portfolio): It is not intended that Information Canada will advertise on any medium the proposals of any political party. It will be guided by the ethics applicable to any branch of government which must distinguish between governmental and partisan activities. I am sure I can count on the hon. member and other colleagues in the House to bring any lapse of such ethics to my attention, but I will do my best to see that this is not necessary.

[*English*]

ATHABASCA CONSTITUENCY—HOUSING UNITS FOR INDIANS

Question No. 1,453—**Mr. Yewchuk:**

1. How many Indian housing units have been constructed on reserves and off reserves in the constituency of Athabasca in the past fiscal year?

2. How many houses are being planned for construction during the present fiscal year and on which reserves?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. During the past fiscal year (1968-69) a total of 37 Indian housing units were constructed in the constituency of Athabasca, 19 units on reserves and 18 off reserves.

2. During the present fiscal year (1969-70) a total of 42 Indian housing units have been constructed in the constituency of Athabasca, 29 units on reserves and 13 off reserves, as follows: On Reserves: Cold Lake, 12; Frog Lake, 4; Kehewin, 3; Goodfish Lake, 6; Beaver Lake, 2; Gregoire Lake, 2; Total 29.

Off Reserves: Fort Chipewyan, 7; Imperial Mills, 6; Total 13.

AIRLINES—NEAR COLLISIONS

Question No. 1,467—**Mr. Mazankowski:**

How many near-misses were reported between light aircraft and commercial airliners during the years 1967, 1968 and 1969?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The number of near-misses which have been reported to the Minister of Transport are as follows: 1967, 38; 1968, 23; 1969, 19.

REGULATIONS COVERING LIGHT PLANES OPERATING NEAR COMMERCIAL AIRPORTS

Question No. 1,471—**Mr. Mazankowski:**

1. What regulations cover light planes operating in the vicinity of airports servicing commercial aircraft and what equipment is necessary in such aircraft?

2. Are they considered adequate in light of the many reported near-misses between commercial airliners and light aircraft in Canada and, if not, is the government considering such changes within the near future?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. Positive Control Zones have been established at 35 airports across the country and in June, 1970 additional zones will be established at 24 other airports for a total of 59. Aircraft wishing to fly within these zones must have a two-way radio capable of communicating with the ATC units concerned and must receive a clearance to operate within these zones. *Ab initio* Flight Training has been banned at Vancouver, Winnipeg, Toronto and Montreal International Airports.

2. These are considered adequate at this time; however, in the interests of further improving flight safety, Extended Terminal Control Service was implemented at Toronto International Airport on 1 January, 1968 and will be instituted progressively at other major airports.

AIR TRAFFIC CONTROLLERS—SAFETY AND TRAINING

Question No. 1,472—**Mr. Mazankowski:**

What safety measures and training have been instituted by the government for air traffic controllers since last year's labour trouble?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Provision has been made for increasing the amount of refresher training for air traffic controllers, as well as continuing our program of accelerated recruiting and training. As indicated in the reply to Question No. 1,471, Positive Control Zones have been established at 35 airports across the country and in June, 1970 additional zones will be established at 24 other airports for a total of 59. Aircraft

wishing to fly within these zones must have a two-way radio capable of communicating with the ATC units concerned and must receive a clearance to operate within these zones. *Ab initio* Flight Training has been banned at Vancouver, Winnipeg, Toronto and Montreal International Airports.

AIR TRAFFIC CONTROL—DEVELOPMENT OF THREE-DIMENSIONAL VIBRATING MIRROR

Question No. 1,473—**Mr. Mazankowski:**

What steps are being taken for the development of a three-dimensional vibrating mirror to enable air traffic controllers to visualize the actual position of aircraft?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): This is a recent development which will be studied and evaluated to determine its practicability for operational use in Air Traffic Control.

CNR UNION AND NON-UNION EMPLOYEES—SALARIES AND EXPENSE ACCOUNTS

Question No. 1,484—**Mr. Godin:**

1. How many employees of CNR are union members?

2. What is the total amount of salaries received by these workers?

3. How many employees are non-union members?

4. What is the total amount of salaries received by these employees?

5. What is the total amount of all expense accounts submitted by these employees?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1, 2, 3 and 4.

	1969	
	Employees	Compensation
Union	60,412	$432,722,573
Non-Union	12,695	$112,736,066

The above statistics cover employees on Canadian lines excluding hotels, steamships, Yarmouth-Bar Harbour ferry service, and Go Commuter Service.

5. It is company policy to reimburse all legitimate out-of-pocket expenses incurred by any employee in connection with the business of the company. The control of these expenses is maintained through the company's budgetary and other internal controls. To extract the information from the records in order to answer the question in the manner asked would require considerable time and expense as the expenses involved are allocated to the specific phase of the business of the company where the expenditure was incurred.

[Mr. Loiselle.]

DEPARTMENT OF LABOUR—SURVEY UNDERTAKEN BY CANADIAN FACTS COMPANY LIMITED

Question No. 1,520—**Mr. Skoberg:**

Will the Minister without Portfolio responsible for Information Canada make available to the House the Public Opinion survey undertaken for the Department of Labour in the fiscal year 1968-69 by Canadian Facts Company Limited?

Hon. Robert Stanbury (Minister without Portfolio): While Information Canada will publish reports on any public opinion surveys which it commissions, it has no authority over publication of reports commissioned for internal purpose by other departments.

AUSTIN AIRWAYS PLANE CRASH, TIMMINS, ONT.

Question No. 1,542—**Mr. Forrestall:**

1. What was the altimeter setting given by the Aeradio Station operators in Timmins, Ontario, to the pilots of the DC-3 aircraft before it crashed on November 10 last, killing its crew of two?

2. Did the Aeradio Station operator at Timmins, Ontario, receive confirmation from the crew of the DC-3 that the altimeter setting information was received?

3. When was the barometric pressure recording instrument that was used by the Aeradio Station operators at Timmins to ascertain the current altimeter setting last checked or calibrated to prove its accuracy?

4. Was the DC-3 aircraft carrying a Radar Altimeter and, if so, was it functioning at the time of the crash?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. The accident of the DC-3 aircraft at Timmins, Ontario, is under investigation and it is normal practice not to release any part of the investigation until the complete report is available.

2. See 1 above.

3. See 1 above.

4. See 1 above.

CHURCHILL FALLS CORPORATION PLANE CRASH, WABUSH, NFLD.

Question No. 1,543—**Mr. Forrestall:**

1. What was the altimeter setting given by ground personnel at Wabush, Newfoundland, to the pilots of the DH-125 jet prior to its crash on November 11 past?

2. When was it relayed to the crew?

3. What party or what authority gave the altimeter setting to the crew?

4. When was the barometric pressure recording instrument that was used by personnel on ground to ascertain the current altimeter setting at Wabush last checked or calibrated to prove its accuracy?

5. Was the jet aircraft concerned carrying a Radar Altimeter and, if so, was it functioning at the time of the crash?

6. What weather reporting information as to ceiling and visibility was relayed to the crew just prior to its crash?

7. What are the qualifications or what experience did the observer have who informed the crew of the jet as to weather conditions that existed at the time the aircraft made its approach?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. The accident of the DH-125 at Wabush, Newfoundland, is under investigation and it is normal practice not to release any part of the investigation until the complete report is available.

2, 3, 4, 5, 6 and 7. See 1 above.

STOCKS OF DIET FOOD CONTAINING CYCLAMATE

Question No. 1,594—**Mr. Rose:**

1. What is the value of current stocks of diet food and drinks held by Canadian food processors due to the "cyclamate" ban in Canada?

2. Is the government considering any form of compensation for processors who have suffered financially as a result of this ban even though they have been observing Food and Drug Regulations at the time the stock was packed?

3. What steps is the government considering taking to protect law-abiding processors in future should some other food additive be declared hazardous?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Not available.

2. No. It is true that the dietetic foods and drinks were in compliance with the Food and Drugs Act and Regulations at the time they were packed. However, the processors were not required to use cyclamates in their dietetic products and did so on their own initiative.

3. The government is always cognizant of the economic impact of decisions such as the removal of cyclamates from food products. However, the government also considers that the health of the Canadian public must take precedence over economic considerations.

PILOT LICENSING

Question No. 1,598—**Mr. Nesbitt:**

1. How many commercial pilot licences, valid for a period of ninety days, have been issued to non-immigrant aliens during each year, 1965, 1966, 1967, 1968 and 1969?

2. How many qualified Canadian commercial pilots have been unemployed during each of the above-mentioned years?

3. Is it the intention of the government to continue licensing non-immigrant aliens as long as there are qualified Canadian pilots available?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. None. However, the Department has in the past and under exceptional circumstances when considered to be in the Canadian public interest and qualified Canadian Pilots are not available, validated a foreign licence for a specific purpose such as bud-worm spraying, Dew Line operation, etc. In some cases, the period of validation may have been 90 days.

2. Employment records are not maintained by the Department of Transport.

3. It is not our intention to issue commercial pilot licences to non-immigrant aliens for a period of ninety days or to validate a foreign licence when qualified Canadian pilots are available.

TRAFFIC SAFETY—REAR VISION

Question No. 1,624—**Mr. Mather:**

Is consideration being given to regulating the "fast-back" type of automobile rear window design with a view to improving traffic safety through better rear vision?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Two aspects of the rear vision problem are being considered. Initially, improvements may be effected by regulating the size and location of the rear window in order to make better use of existing mirror technique. In the longer term more comprehensive analysis of rear vision requirements may result in a fundamentally different rear vision system, such as one employing the principles of the periscope.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PUBLIC SERVICE—DEPARTMENTAL LAY-OFFS OF PERSONNEL

Question No. 31—**Mr. Howard (Skeena):**

1. What departments will be laying off personnel as a result of the guidelines announced by the Prime Minister in August?

2. For each department and Crown corporation, what is the planned reduction by category of employee?

3. What steps is the government taking to aid those people affected by the new policy?

Return tabled.

Orders for Returns

POLYMER CORPORATION—SALARY INCREASES

Question No. 350—**Mr. Lambert (Edmonton West):**

1. What was the date of the last general salary and wage increase granted to all major separate categories of Polymer Corporation employees prior to April 1, 1963, its effective date, and what was the percentage increase?

2. From April 1, 1963 to date, what have been the dates (both of publication and coming into force) of any general salary and wage increase for all major separate categories of Polymer Corporation employees and what was the average percentage increase for each such increase?

3. What cumulative average percentage increase does the salary and wage level of Polymer Corporation employees as at present date reflect when compared to the relative salary and wage level of April 1, 1963?

Return tabled.

ESTABLISHMENT OF MERCHANT MARINE

Question No. 425—**Mr. Fortin:**

1. What is the statutes of studies undertaken by Hedlin Menzies and Associates Ltd. with respect to the establishment of a merchant marine?

2. What are the terms of reference of the firm?

3. On what date were these terms of reference made known to the firm?

4. What fees have been paid to the firm?

5. Will the Company's report be tabled in the House of Commons and, if not, for what reason?

Return tabled.

FERTILIZER SUPPLIED TO INDIA

Question No. 990—**Mr. Schumacher:**

1. During the fiscal year 1968-69, and/or during the period from the beginning of the 1969-70 fiscal year to date, has any fertilizer been given, by way of an outright gift, and/or by way of a sales subsidy by the Canadian Government to India and, if so (a) how much was given (b) what was the dollar value (c) what company supplied such fertilizer?

2. Were competitive bids called for the supply of such fertilizer?

3. What companies submitted bids and what were the amounts in each case?

Return tabled.

NUMBER OF SHIPS IN FEDERAL GOVERNMENT FLEET

Question No. 1,192—**Mr. Robinson:**

1. How many ships does the federal government have in its fleet and what is the role of each?

2. Does the federal government have a policy of replacement of ships and, if so, what is the policy?

[Mr. Howard (Skeena).]

3. Does the federal government contemplate any increase in the number of ships for (a) navy (b) coast guard (c) transportation (d) ice-breaking (e) dockyard service (f) other?

Return tabled.

AGRICULTURAL RESEARCH EXPENDITURES

Question No. 1,432—**Mr. Orlikow:**

1. How much money was spent for agricultural research by the Government of Canada in each of the past three years in (a) Department of Agriculture facilities (b) the National Research Council (c) University Faculties of Agriculture?

2. How much money is it proposed to spend in the coming year for agricultural research through each of the above three categories?

Return tabled.

DEPARTMENT OF NATIONAL REVENUE—RESEARCH STUDIES

Question No. 1,536—**Mr. Robinson:**

1. What research studies have been carried out by, or on behalf of, the Department of National Revenue during each year 1960 to 1969 inclusive?

2. What research studies are now being carried on and/or are contemplated during the next five years?

3. What was the cost of each of the research studies completed in each year 1960-1969 inclusive?

4. What is the estimated cost of each of the studies now in being or contemplated during the next five years?

Return tabled.

• (2:30 p.m.)

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion (papers) No. 409 is acceptable to the government.

[*English*]

LIST OF CHLOR-ALKALI PLANTS USING MERCURY

Motion No. 409—**Mr. Harding:**

That an Order of the House do issue for a copy of the list of all chlor-alkali plants which use mercury, as stated by the Minister of Fisheries and Forestry and reported in *Hansard* of March 25, 1970 at page 5463.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you be so kind as to call notices of motions Nos. 26, 27, 327 and 393.

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

URBAN RENEWAL—FREEZE ON PLANS

Motion No. 26—**Mr. Gilbert:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and provincial and municipal government regarding a freeze on all urban renewal plans.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Hon. Robert Andras, Minister without Portfolio responsible for housing, that notice of motion for the production of papers No. 26 is acceptable, subject to the authorization of the government authority concerned and with the proviso that the correspondence cover the period from August 14 to October 23, 1969.

Mr. Speaker: Is the motion carried subject to the reservations and conditions expressed by the Parliamentary Secretary?

Some hon. Members: Agreed.

Motion agreed to.

URBAN RENEWAL—FREEZE ON PROJECTS

Motion No. 27—**Mr. Gilbert:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and provincial and municipal governments regarding the federal government's decision to put an immediate freeze on all urban renewal projects in Canada assisted by the federal government.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on behalf of the hon. Robert Andras, Minister without Portfolio responsible for housing, I wish to inform the hon. member that a freeze was not placed on all urban renewal projects assisted by the federal government. I therefore ask the hon. member to withdraw his motion.

Mr. Gilbert: Transfer for debate.

Mr. Speaker: Transferred for debate.

MEDICAL AID IN VIET NAM—REPORT BY DR. A. VENNEMA

Motion No. 327—**Mrs. MacInnis:**

That an Order of the House do issue for a copy of the Interim Report made in March, 1968, by Dr. A. Vennema, Director of Canadian Medical Aid in Vietnam in 1967-68 and for copies of any subsequent correspondence between him and the Department of External Affairs.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Reports to the Canadian International Development Agency by experts serving abroad under Canadian aid programs are treated as confidential. Making such reports public would breach this confidence and inhibit CIDA experts from expressing their views frankly in future. Therefore I hope the hon. member will agree with this argument and agree to drop the motion.

Mr. Knowles (Winnipeg North Centre): Question!

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

BATH-MILLHAVEN PRISON PROJECT

Motion No. 393—**Mr. Alkenbrack:**

That an Order of the House do issue for a copy of the report made by an independent expert building inspector to the Minister of Public Works on the Bath-Millhaven Prison project at Kingston, Ontario.

Hon. Arthur Laing (Minister of Public Works): No such report exists, Mr. Speaker, and in view of this perhaps the hon. member might wish to withdraw his motion.

Mr. Alkenbrack: I am very surprised at this information from the minister and I request that the motion be transferred for debate.

Mr. Speaker: Transferred for debate.

Mr. Howard (Skeena): Mr. Speaker, perhaps I might take this opportunity to rise in respect of notice of motion No. 375 in which the Secretary of State for External Affairs would be interested. It relates to a draft agreement on reciprocal fishing rights between Canada and the United States. Because of the imminence of the territorial seas and fishing zones bill to which this draft agreement would have application, possibly the minister could comment, if he has knowledge of the present situation, on whether or not the agreement might be made public.

Inquiries of the Ministry

Mr. Sharp: It is the intention of the government of Canada to sign this agreement with the United States later this week and I intend to table the agreement itself, and not the draft agreement, after it has been signed.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I would like to ask the Prime Minister—

An hon. Member: The question period has not started yet.

Mr. Lambert (Bellechasse): Mr. Speaker, have we reached the oral question period?

Mr. Speaker: Almost.

[*English*]

Mr. Skoberg: Mr. Speaker, my notice of motion for the production of papers No. 32 has been on the Order Paper since October 23. I believe the House is entitled to know the functions and responsibilities of the department. This is the least we should be able to know. I would like to know when I can expect this motion to be dealt with.

Mr. Forest: As soon as possible, Mr. Speaker.

Mr. Speaker: Shall the remaining notices of motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

FINANCE

USE OF TAX INCENTIVES TO ENCOURAGE INCREASE IN PRODUCTIVITY

Hon. George Hees (Prince Edward-Hastings): I should like to direct a question to the Minister of Finance. As the Prime Minister advised the House yesterday that the rate of increase of productivity must equal the rate of increase of prices and incomes before the government can consider that inflation has been licked, and as the rate of increase of productivity has been steadily declining for the past four years, is the government planning to introduce in the very near future tax incentives to encourage producers to increase their productivity to a satisfactory level so that the government may once again start expanding the economy and providing the jobs our people so badly need?

[Mr. Howard (Skeena).]

Hon. E. J. Benson (Minister of Finance): First of all I would like to say that the economy has been expanding greatly and, as my hon. friend knows, tax policy will be introduced to the House in the usual manner.

Mr. Hees: I have a supplementary question, Mr. Speaker. As that is precisely the same answer that the minister and his predecessor have been giving me for four years, during which time inflation has been steadily increasing and productivity decreasing—

Mr. Speaker: Order, please. The hon. member should not make a speech; he should ask a supplementary question.

Mr. Hees: Yes, Mr. Speaker; I was merely trying to assist the minister with the facts. In view of these things, would the minister advise the House whether he suffers severely from headaches these days from keeping his head in the sand so much of the time?

Mr. Benson: I have no headache.

Mr. Speaker: Order, please.

Mr. Hees: Do you get dizzy spells, Ben? This upside down treatment upsets you.

An hon. Member: Back to your cage, gentlemen.

INCENTIVES TO SMALL BUSINESSES— PUBLICATION OF STUDY

Mr. John Lundrigan (Gander-Twillingate): If the hon. gentlemen will discontinue their dialogue I will ask my question which is directed to the Minister of Finance. Can the minister say, with regard to the question just raised and in view of the high unemployment situation, when small businesses in Canada can receive some encouragement and when the study of the department now under way on small business incentives to offset the effects of the white paper will be completed and whether it will be made public?

Hon. E. J. Benson (Minister of Finance): First of all, small businesses in Canada do receive a great deal of assistance, as was pointed out in the white paper, through the industrial development program, the Department of Industry, Trade and Commerce, the Small Businesses Loans Act, and so on. However, the white paper proposals are not law yet. The study which I have asked my department to carry out will be completed in due

course and I will provide the information to the parliamentary committee examining the white paper.

Mr. Lundrigan: There was a little encouragement in the last part of the minister's remarks. Does he intend to make the contents of the study public in view of the fact that the original intention was that it would be only for cabinet consideration? In view of the fact that this matter is of interest to the whole nation and quite obviously needs public reaction, would the minister undertake now to make the contents of this study public?

Mr. Benson: The study is being carried out within my department, and I suspect that before the white paper is completely considered by the committee I will be appearing before the committee and will certainly make known to its members the results of the study.

TAXATION

SUGGESTED WITHDRAWAL OF WHITE PAPER ON REFORM

Mr. Eldon M. Woolliams (Calgary North): I should like to ask the Minister of Finance a question. In view of the fact that the white paper on tax reform is discouraging investment and development, thus causing unemployment, and in view of the fact that the Prime Minister said he would give consideration to withdrawing it, has the Minister of Finance given that kind of consideration to the white paper on taxation?

Hon. E. J. Benson (Minister of Finance): I do not think the Prime Minister said he would give consideration to withdrawing it, and it is not discouraging investment in Canada.

Some hon. Members: Oh, oh!

Mr. Benson: As a matter of fact, one of the problems to be faced is the inflow of foreign exchange.

Mr. Speaker: Order, please. I should like to draw to the attention of the House—

Mr. Woolliams: Mr. Speaker, I rise—

Mr. Speaker: The hon. member can rise in a moment but I would like to have an opportunity to complete my sentence. I was going to suggest that we are going over ground which has been covered on numerous occasions. If the hon. member has a supplementary question, perhaps he might present it in such terms as to make it possible for the Chair to accept it.

Mr. Woolliams: I rise on a question of privilege, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Woolliams: If the Minister of Finance will check *Hansard* he will find that the Prime Minister said he would give consideration to withdrawing the white paper on taxation. It is in *Hansard.*

Mr. Trudeau: Where?

Mr. Benson: At what page?

Mr. Woolliams: I will read it to you in a few moments.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. May I suggest to the hon. member for Calgary North that whether the right hon. Prime Minister did make this statement or not, this cannot be raised as a question of privilege. Whether a statement was made or not made by an hon. member cannot be discussed by way of a question of privilege.

SOCIAL SECURITY

TABLING OF WHITE PAPER IN PRESENT FORM —INTERIM INCREASE IN OLD AGE PENSIONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question either to the Prime Minister or to the Minister of National Health and Welfare. In view of reported disagreements in the cabinet over certain proposals in the government's white paper on social security, will the government consider doing two things? First, will it table the white paper in its present form so that the public will know what is being considered? Second, will it bring in an interim increase in old age security pensions so that our senior citizens will not have to wait any longer for an increase they sorely need?

Right Hon. P. E. Trudeau (Prime Minister): The premise of the question being false, Mr. Speaker, I do not feel I have to answer it.

Mr. Knowles (Winnipeg North Centre): Then may I ask the Minister of National Health and Welfare to answer the question regardless of the premise. Will the government consider tabling now the white paper on social security so that the country can know

what is in it, and will it consider bringing in an interim increase in old age security pensions?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, it would be impossible to table the white paper at this time. It is not completed, nor has consideration been given to it in its entirety by the government. So far as the latter part of the question is concerned, I do not believe it would be possible to bring in an interim increase in old age security pensions prior to the publication of the white paper.

[*Later:*]

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare. In view of the recent pension plan increases for Members of Parliament, which I voted against, Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Nystrom: —will the government now move immediately to increase pensions for our senior citizens?

Mr. Speaker: Order, please. The hon. member will recognize that the terms of the question make is procedurally unacceptable.

WAR VETERANS ALLOWANCE INCREASES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to direct a supplementary question to the same minister. Would he inform the House, with respect to the order to trim some $500 million from the welfare proposals in his white paper, what was the extent of the recommended increases for war veterans allowances and whether these increases will be affected?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I suggest that that question be directed to my colleague, the Minister of Veterans Affairs.

Mr. Marshall: On a point of order, Mr. Speaker, we have understood for the past few months that war veterans allowances now come under social security legislation.

EXTERNAL AFFAIRS

IMPROVEMENT OF RELATIONS WITH CARIBBEAN COUNTRIES—SUBSTITUTION OF AGRICULTURAL DEVELOPMENT FUND FOR SUGAR AGREEMENT

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the increasing resentment against, if not actual hostility to, Canada apparently developing in the Caribbean countries, what action, if any, has the government taken to improve this situation? In particular, has Canada entered into discussions with the Commonwealth Caribbean countries for a new sugar agreement with them?

[Mr. Knowles (Winnipeg North Centre).]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as to the first part of the question, the troubles that are taking place in Trinidad are not related specifically to Canada. There is no evidence of this whatsoever. As to the second part of the question, we are having officials come from the islands to Canada to discuss the sugar question.

Mr. Harkness: A supplementary question, Mr. Speaker. Has Canada actually abrogated the agreement that it made in 1966 for an 85 cent tariff rebate on West Indian sugar and, if so, is that going to be reinstituted?

Mr. Sharp: Mr. Speaker, I issued a statement on April 17, to which I would draw the hon. member's attention but which I would hesitate to read now. What we have done is to terminate this temporary arrangement that was made and to substitute therefor a much larger fund to be used for agricultural development in the Caribbean.

Mr. Harkness: Is the minister not aware that the Caribbean countries concerned are not at all satisfied with the $5 million, which is to be provided really for external aid purposes, in lieu of the sugar agreement and other trade concessions?

Mr. Sharp: Yes, Mr. Speaker, I am aware of the objections that the Commonwealth countries in the Caribbean have taken to the termination of the 29 cent per one hundred pounds rebate. It has been our judgment that what we are offering is more valuable in light of the needs for development in that area, but of course these are matters of differences between governments. I can understand the Caribbean governments disliking the termination because this money went directly to the governments, whereas the other money will go for development projects.

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker. Was the decision taken unilaterally to terminate the sugar agreement, or was there consultation with the governments concerned?

Mr. Sharp: It had always been understood that these payments were temporary. There was no agreement to continue them indefinitely. They were related in part to the successful negotiation of an international sugar agreement, which took place, and it was in light of these circumstances, and what we felt were the needs of the Caribbean countries for extra funds for agricultural development, that we made this decision.

Mr. Fairweather: Mr. Speaker, this is most informative, but could the minister answer my question? Was the decision taken after consultation or was it taken unilaterally?

Mr. Sharp: It was unilaterally.

Mr. Max Saltsman (Waterloo): A further supplementary question, Mr. Speaker. In view of the minister's desire to help the Caribbean countries, I would like to ask him if he would not reconsider his policy and give them some voice in determining what is good for themselves?

Mr. Sharp: All the projects that would be coming forward for assistance in agricultural developments would be sponsored by the governments themselves. We do not make decisions unilaterally as to what is good for other countries.

Hon. George Hees (Prince Edward-Hastings): A further supplementary question, Mr. Speaker. In view of the great discontent which Canada's action has created in the Caribbean countries, does the government not consider that perhaps the Caribbean countries are in a position to know what they would like from Canada rather than our telling them what they would like?

Mr. Speaker: Order. The hon. member's supplementary question is a repetition of one asked previously.

[*Translation*]

AGRICULTURE

DAIRYING—SUGGESTED AMENDMENT OF POLICY

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Prime Minister.

Since the industrial milk producers are protesting strongly and demonstrations have been and will be organized, and also since newspapers have reported that he had received telegrams from the President of the Catholic Farmers' Union on this subject, would the Prime Minister be in a position to tell the House whether he will recommend to the cabinet to amend the dairy policy announced on March 23 last, in order to make it more advantageous for industrial milk producers?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sorry I did not hear the beginning of the question, but perhaps I might answer it by saying that through my recent exchange of correspondence with the Premier of Quebec, I have had the opportunity to show him that the payments made by the federal government to milk producers total more than $100 million a year, about half of that amount going to the province of Quebec.

[*English*]

INFORMATION

DISTRIBUTION OF FILM CLIPS OF MINISTERS' STATEMENTS TO TELEVISION STATIONS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister without Portfolio in charge of Information Canada. Would he be good enough to advise the House whether the government or Information Canada is now sending out sound film clips of statements about to be made by ministers to various television stations across the country, and are these films delivered by Brinks trucks, with the strict embargo that they must not be used until the statements are made? Is this a part or parcel of the economy drive? If this is taking place it must cost a lot of money.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, if there were any such statements I am sure their value would warrant their being carried by Brinks trucks—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Stanbury: —but Information Canada has no plans, no activities in that field.

Mr. Diefenbaker: Well, Mr. Speaker, I am glad to hear the minister express the modest view that any view of any minister of this government should be carried around by Brinks trucks.

Mr. Nesbitt: Garbage trucks would be better.

Some hon. Members: Hear, hear.

Inquiries of the Ministry

Mr. Diefenbaker: I ask the minister specifically whether such a clip in connection with certain evidence that the Minister of Energy, Mines and Resources was to give yesterday before the Natural Resources Committee was considered so valuable, so intrinsically worth while, and as containing information desirable enough to be protected, that it was sent to various television stations across the country in the manner which I have indicated, and does he still feel it was so worth while that it needed the protection of a Brinks truck?

Mr. Stanbury: Mr. Speaker, as the right hon. gentleman no doubt knows from statements I and the Prime Minister have made, Information Canada is not a centralized information department and has no authority over information services coming under other departments.

Mr. Woolliams: It is nothing but a propaganda agency.

HEALTH AND WELFARE

REPORTED SALMONELLA CONTAMINATION OF LIPTON SOUP MIX

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of today's report from Washington D.C. that 14 million packages of Lipton soup mix are to be recalled by food and drug authorities of that country because of suspected salmonella contamination, is similar action contemplated in Canada?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. There is no relation between Lipton products in the United States and Canada. Those products are not imported into this country. The Food and Drugs Directorate is looking into the matter as far as Canada is concerned and assures me there is no danger.

DRUGS

INCREASE IN USE OF ADDICTIVE DRUGS IN UNITED STATES—CANADIAN SITUATION

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I direct a question to the Minister of Justice. In view of reports of an alarming increase in the use of heroin and other addictive drugs in the United States, particularly in New York, is there evidence of a spillover of this problem to a similar degree in Canada? If so, what plans have been initiated to deal with the situation?

[Mr. Nesbitt.]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I think the government will want to make a full statement on the whole question of drugs when we receive the report from the LeDain Commission.

REGIONAL ECONOMIC EXPANSION

REVISION OF AGREEMENT WITH PRINCE EDWARD ISLAND

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. What action is he taking to revise the agreement signed by the federal government and the government of Prince Edward Island some time ago in order to bring the federal government's share of the capital cost of roads and so forth somewhere near the percentage that has been agreed to in the agreements announced today with the provinces of New Brunswick and Newfoundland?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I do not think any cost was mentioned in the statement that was made this afternoon.

Mr. MacLean: May I ask a supplementary question, Mr. Speaker. I do not have a copy of the minister's statement in front of me but I understood him to say that the federal government would pay a fairly high percentage of the total cost, 100 per cent in some cases, under the agreements mentioned. I ask the government whether it will consider making a more generous agreement with the province of Prince Edward Island? Will it modify the present agreement so that all the Atlantic provinces will be treated similarly?

Mr. Marchand (Langelier): Mr. Speaker, the agreements are to be printed very shortly. At that time I think the hon. member will be able to make comparisons and at that stage I will be in a position to answer.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. I wish to ask the minister a very simple question in order to clarify a matter of great concern. Is federal assistance for the enormous petrochemical plant on the east coast of Canada part of the assistance under the $32 million announced earlier today?

Mr. Marchand (Langelier): Is the hon. member referring to the eastern part of Newfoundland?

An hon. Member: Come-By-Chance.

Mr. Lundrigan: Yes.

Mr. Marchand (Langelier): No, it is not.

CONSUMER AFFAIRS

INCREASE IN AUTOMOBILE INSURANCE RATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. In January, on February 9 and on March 23 I drew the minister's attention to the fact that the insurance companies had announced increased rates for automobile insurance. These rates have now come into effect as of April 1 and the increases vary all the way from 10 per cent to 35 per cent, depending on category. Has the minister made any representations to the insurance companies asking them to defer the implementation of these increases? Has he received a favourable reply? Also, what action does he propose to take with respect to these very substantial increases in auto insurance rates?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, my previous answer on this question stands. The matter is being studied by the various departments which have an interest in it and particularly by my department and the insurance branch of the Department of Finance.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. That is not the information I sought in my question. I asked the minister if he had made any representations to the automobile insurance companies since this matter was raised last January. What was the nature of their replies and what action has he proposed to take in the light of those replies?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, perhaps I could answer that question. First of all, we made representations with regard to the proposed increases in insurance rates. Not only did we do this but I had the Superintendent of Insurance examine the positions of individual companies to determine whether or not the increases were justified on a loss-ratio basis. I have that report; I believe it is in my office somewhere and I would be pleased to look it up and answer the hon. gentleman's question in more detail on a subsequent day. I believe, as I recall the report, that the Superintendent of Insurance examined some cases and the increases were justified on the basis of expenditures that were incurred.

Inquiries of the Ministry

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. I take it from the minister's statement that his department has examined the books of the insurance companies and that the government is now satisfied that these increases were warranted. If so, is the minister prepared to supply that data? Would he also tell the House whether or not the Prices and Incomes Commission was aware of that study?

Mr. Benson: Mr. Speaker, as I recall, the Prices and Incomes Commission was not involved. It was done by the Superintendent of Insurance who examines the books of insurance companies on a continuous basis. I should like to look at the report before giving a definitive answer.

INCREASE IN COST OF FISHING LICENCES BY MANITOBA GOVERNMENT

Mr. Robert Simpson (Churchill): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. In view of the wide concern over the increases in rates and prices, can the minister say what action the federal government may intend to take against the government of the province of Manitoba which has just recently imposed a very drastic 33⅓ per cent increase in the cost of provincial fishing licences?

An hon. Member: Shame!

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, that surely is a matter within the purview of the legislature of Ontario—of Manitoba.

An hon. Member: The minister is really confused.

Mr. Basford: The Prices and Incomes Commission and the federal government have urged the provincial governments to limit their increases in user fees and other charges, and generally the commission has received co-operation from the government of the province of Manitoba.

[*Translation*]

NATIONAL REVENUE

REPORTED CHANGE IN FORT ERIE EMPLOYEES WORK SCHEDULES CONTRARY TO AGREEMENT

Hon. Jean-Pierre Côté (Minister of National Revenue): Mr. Speaker, last week the hon. member for Oshawa-Whitby (Mr. Broadbent) asked me to inquire about changes in work schedules which might affect the Fort Erie crossing employees.

Inquiries of the Ministry

[*English*]

I have investigated, Mr. Speaker, and I was assured that work schedules posted at the port of Fort Erie have not been changed to have days of rest coincide with the May holiday.

HEALTH AND WELFARE

AVAILABILITY OF LITHIUM CARBONATE FOR TREATMENT OF MENTAL DISEASES

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the approval of lithium carbonate by the United States Food and Drug Directorate for the treatment of mental diseases, and especially for the treatment of people suffering from the acute manic phase of manic depressive psychosis, and as there are some 10,000 mental patients in this country who qualify for the use of this drug, may I ask the minister when it will be released for use in Canada?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I must advise the hon. member that this drug is available to some investigators for experimental purposes. The director is looking into the matter and has been encouraging manufacturers to file a new drug submission for the particular drug, but none has done so yet.

SHIPPING

SINKING OF "PATRICK MORRIS"

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I direct a question to the Minister of Transport. Is he in a position today to give any further information to the House regarding the sinking of the *Patrick Morris?*

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, two formal inquiries are under way, one by the Department of Transport and one by Canadian National. The report I have is purely interim, based on interviews with crew members last night as they arrived back in Sydney. It appears that the *Patrick Morris* slowed to pick up the body of one of the unfortunate victims of the fishing vessel accident and at that exact moment an enormous sea stove in the back doors of the ferry vessel. The seas at the time were running between 50 and 60 feet, according to these estimates. This appears to have been the cause. I have to emphasize to the House and the hon. member that this is only a verbatim report from crew members. A formal inquiry will be completed as quickly as possible.

Mr. Muir (Cape Breton-The Sydneys): A supplementary, Mr. Speaker. I thank the minister for the information. From what he has said, it would appear that the doors were not opened by the captain or by any of his crew?

Mr. Jamieson: That is correct. The preliminary investigation and report indicate that the doors were not opened. It was simply the weight or power of these enormous seas that smashed them.

Mr. Donald MacInnis (Cape Breton-East Richmond): Can the minister indicate whether the inquiry will reveal whether the construction of the ship was adequate? The explanation by the minister does not sound too reassuring.

Mr. Jamieson: One of the matters which the inquiry will examine will be precisely that.

NATIONAL PARKS

ANNOUNCEMENT OF NEW PARK IN BRITISH COLUMBIA

Mr. Thomas S. Barnett (Comox-Alberni): I wish to address a question to the Minister of Indian Affairs and Northern Development, which I hope he will welcome. Can we now take it as assured that there will be an addition to the national parks system of Canada on the Pacific Coast?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, I was in Victoria yesterday and I had the pleasure to sign the final agreement for the development of a national park on the west coast of Vancouver island. All the details have been settled during the conversations I had with the Minister of Tourism, Mr. Kiernan.

[*English*]

Mr. Barnett: On a question of privilege, might I be allowed to offer my congratulations and also to—

Mr. Speaker: Order, please. The hon. member can only ask questions at this point.

ADMINISTRATION OF JUSTICE

SUGGESTED SALARY INCREASE FOR FEDERALLY APPOINTED JUDGES

Mr. H. E. Stafford (Elgin): Mr. Speaker, I have a question for the Minister of Justice. I am sure the minister is aware that, by reason of the recent increases announced by the Minister of Justice for Ontario, some provincial court judges are making within $500 of the amount the federal government is paying the provincial Supreme Court justices and up to $4,500 more than the federal government is paying County Court judges. Is the minister giving consideration to an increase in salary for the federally appointed judges?

Hon. John N. Turner (Minister of Justice): I am aware of the arithmetic, Mr. Speaker.

INDIAN AFFAIRS

PROPOSED ALBERTA EDUCATIONAL CENTRE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I had a question for the Minister of Labour but I see that unfortunately he has temporarily left the chamber. I will direct my question to him tomorrow. With Your Honour's permission, I will now direct a question to the Minister of Indian Affairs and Northern Development. Has the government as yet made a decision on the proposed Indian education centre in Alberta? I am sure the minister, in addition to most hon. members, has seen the model of this most imaginative project to help the Indian people to help themselves.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have not reached any conclusion at the moment since this proposal has been made to several departments at the same time. We are now co-ordinating the views of the various groups involved and we shall advise the Alberta Indian Association of our decision when it has been made.

[*English*]

NORTHERN AFFAIRS

USE OF DRIFT STATIONS IN ARCTIC RESEARCH

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I wish to answer a question asked by the hon. member for Edmonton Centre a few days ago about research in the Arctic.

The nearest parallel in Canada to the use of drift stations is the polar continental shelf project. This long-term project was initiated by the Canadian government in 1958 to carry out a detailed scientific investigation of that part of the Arctic Ocean adjacent to the Canadian Arctic Archipelago. By using bases on the islands and seasonal stations on the ocean, scientific work is being carried out over the continental shelf and beyond, into the polar basin, without the need for year-round drift stations. Last summer some 150 scientists and support staff, mainly involved in geophysical investigation, were working from these bases. This does not include research programs within the Arctic Archipelago or in the northern parts of the mainland of Canada.

TRANSPORT

REMOVAL OF "ARROW" HULK—RESPONSIBILITY FOR COST

Mr. Robert McCleave (Halifax-East Hants): My question is for the Minister of Transport. Has the government or the Department of Transport decided what is to be done with the derelict portion of the *Arrow*? Also, who is to assume the cost of removing the remaining hulk?

Hon. Donald C. Jamieson (Minister of Transport): The second part of the question, Mr. Speaker, is simple to answer. Any costs involved in removal would be for the account of the ship owner. As to whether it should be moved, a decision is now being made to determine whether it is better to move it or leave it where it is in view of the relative hazard in both sets of circumstances.

EFFECT OF REDUCTION IN CLERICAL SERVICES BY CPR

Mr. David Orlikow (Winnipeg North): I have a question for the Minister of Transport. Has the minister's attention been drawn to a decision of the CPR to reduce expenditures for clerical services by 10 per cent? If so, will the minister discuss with the CPR the effect of this policy on the services provided by the company, on the communities affected and on the large number of employees who will be dismissed?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have not been officially advised by the CPR of any such move. I have received indirect information to that effect. Of course, the CPR is not in effect obliged to tell me anything, but I will be glad to talk to them about the effects which the hon. member has outlined.

Inquiries of the Ministry

TRANSFER OF TRENT CANAL SYSTEM TO DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Mr. W. C. Scott (Victoria-Haliburton): My question is for the Minister of Indian Affairs and Northern Development. In view of statements made by the minister recently concerning the transfer of the Trent Canal system to his department from the Department of Transport, will the minister tell the House the total area involved in the transfer, and whether the lakes that feed the system will come under the jurisdiction of the national parks service?

Mr. Speaker: I suggest to the hon. member that the type of information he is seeking should normally be obtained by way of a question on the Order Paper.

POLLUTION

COMPENSATION TO LAKE WINNIPEG FISHERMEN FOR MERCURY CONTAMINATION OF FISH

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Fisheries and Forestry. It is in connection with the Red River which is an international river. Because of mercury poisoning, Lake Winnipeg has been placed under fishing taboo. Will the government compensate the fishermen who normally fish the Red River and Lake Winnipeg to the same extent as fishermen in other areas are being compensated? I ask this question because of the doubt that is being expressed in Winnipeg and the area surrounding Winnipeg.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I have to agree that what is good for the fishermen of Lake St. Clair should be good for the fishermen of western Canada.

Mr. Diefenbaker: I agree that it "should be good", but will the minister be as definite as he usually is and say whether the farmers—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: —the fishermen—most of them are farmers too—along the Red River and on Lake Winnipeg will receive the same compensation? I ask the minister to be more definite and not merely say that what is good for one is good for the other, what is good for the goose is good for the gander. I want to know whether these payments are going to be made.

[Mr. Jamieson.]

Mr. Davis: I will be discussing this method of compensation with the Hon. Mr. Green of the Manitoba government on Monday, Mr. Speaker.

Mr. Diefenbaker: You don't know yet. Is it not going to be done?

INDIAN AFFAIRS

AVAILABILITY OF COQUALEETZA HOSPITAL LAUNDRY FACILITIES TO INDIANS

Mr. Frank Howard (Skeena): I wish to direct a question to the Minister of National Health and Welfare. Is the minister in a position to make an announcement regarding the laundry facilities at Coqualeetza Hospital near Chilliwack being made available to the native Indian people in that area?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, I am not. I know that this matter is being looked into, but there has been no final decision made with respect to it.

Mr. Howard (Skeena): A supplementary question. Has the minister received a telegram from Wilbur Campbell on behalf of the North American Indian Brotherhood complaining that the response from the minister in this regard was to the effect that it would take many months to work out an agreement with the native Indian people on this matter?

Mr. Munro: To my knowledge I have not received such a telegram. Any negotiations we have had with Mr. Campbell have been with respect to a feasibility study that my department funded him to carry out. I understand that no decision will be made until the feasibility study is received. It is expected it will not be received until the end of May.

SOCIAL SECURITY

METHOD OF PREPARATION OF WHITE PAPER—TABLING

Mr. R. E. McKinley (Elgin): Mr. Speaker, my question is supplementary to questions asked earlier regarding the white paper on social security. Could the Prime Minister tell the House which department of government is preparing this white paper and how soon the government expects it will be tabled?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is a multi-departmental project, but it is essentially under the direction of the Minister of National Health and Welfare.

[*Later:*]

Mr. McKinley: Mr. Speaker, I rise on a point of order. With respect, the Prime Minister answered the first part of my question, but I also asked to be informed when the government expects to be able to table the white paper.

Mr. Speaker: Order, please. The hon. member may have a supplementary but he will be recognized in a moment.

[*Later:*]

Mr. McKinley: A further supplementary question. The Prime Minister does not appear to want to answer my second question. I ask him whether he can inform the House why the preparation of the white paper was taken out of the hands of the Department of National Health and Welfare.

Mr. Speaker: Order.

POLLUTION

OIL—ACTION RESPECTING SITUATION IN TORONTO HARBOUR

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of Transport. Would the minister advise the House whether or not members from Toronto have been after him about the oil spill in Toronto harbour?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Danson: Mr. Speaker—

Mr. Speaker: Order. Is the hon. member rising on a point of order?

Mr. Danson: On a question of privilege, Mr. Speaker. The hon. member opposite suggested that the members from Toronto were negligent in their duty.

Some hon. Members: Hear, hear!

Mr. Danson: I would suggest that matters that are regarded as national disasters in other areas are looked after by the city council in Toronto.

NATIONAL HARBOURS BOARD

RESIGNATION OF CHAIRMAN—NEW APPOINTMENT

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Transport. In view of the resignation of Mr. Howard Mann, who I am sure everyone agrees performed valuable service as chairman of the National Harbours Board, can the minister say whether a new appointment will be made, and when?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I agree with the assessment made by the hon. member of Mr. Howard Mann. Incidentally, if the House so desires I will be pleased to table the letter of resignation and the reply.

With regard to the second part of the question, I am examining the possibilities, within the framework of the revision of ports policy, as to whether or not we should restore the National Harbours Board to full complement now or perhaps wait until such time as the new arrangement is put into effect.

[*Translation*]

HARBOURS

MONTREAL—MEASURES TO DEAL WITH REDUCTION IN ACTIVITY

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like to ask a supplementary question.

Considering that there has been quite a heavy decline in traffic at the port of Montreal, I would like to ask the Minister of Transport whether he is considering taking strong action in the near future in order to remedy this situation which is disastrous for the city of Montreal—if he feels concerned by that situation—or whether he intends to do nothing about it as in the case of unemployment in Quebec?

[*English*]

Mr. Speaker: Order, please.

[*Translation*]

Mr. Valade: On a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Sainte-Marie on a point of order.

Mr. Valade: Mr. Speaker, my point of order. The first part of my question is acceptable, even though the second part is not and the minister—

[*English*]

Mr. Speaker: Order, please.

Inquiries of the Ministry

THE CANADIAN ECONOMY

INFLATION—ROLLING BACK OF TINPLATE PRICE INCREASES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I direct my question to the Minister of Consumer and Corporate Affairs. On April 13 I asked him a question with regard to rolling back the price of tinplate to comply with some of the criticism made by the Prices and Incomes Commission. At that time the minister indicated that the department was looking at the question and that he would be able to report to the House in a day or so on what action he intends to take. I wonder whether the minister is able to give a report today.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): No, Mr. Speaker. The Prices and Incomes Commission found that the price increases were within their guidelines but disapproved of the price increase made by one company. The matter is still being considered with regard to whether any action should be taken, but I would point out that the commission recommended that no action be taken in this particular case.

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

Mr. Speaker: Order. There is no time for supplementary questions. The hon. member for Edmonton Centre.

FEDERAL-PROVINCIAL RELATIONS

EFFECT OF RESULT OF QUEBEC ELECTION

Mr. Steven E. Paproski (Edmonton Centre): Thank you for your recognition, Mr. Speaker. I wish to direct my question to the Prime Minister. In view of the upcoming result of the election in Quebec, what steps has the Prime Minister taken to deal with the separation of the province of Quebec?

Mr. Speaker: Order, please.

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

Mr. Speaker: Order, please. The hon. member will recognize that I allowed him to ask the original question, even though the time had expired, because I could not help but notice he had risen on a number of occasions during the question period, so I thought he should be given an opportunity to ask his question. I doubt whether it would be in order to grant him a supplementary when one has just been refused the hon. member for Waterloo. Perhaps his supplementary might be asked tomorrow, and I will see whether the hon. member can ask it earlier. Orders of the day.

[Mr. Speaker.]

Mr. Howard (Skeena): Mr. Speaker, I rise on a question of privilege. I did not do so earlier because I did not want to interrupt the question period which I knew was coming to a close. My question of privilege relates to two replies that were given by the Minister of National Health and Welfare concerning the feasibility study by either Mr. Campbell or by people in the North American Indian Brotherhood of B.C. with respect to the Coqualeetza hospital.

According to a copy of a telegram that the office of my leader, the hon. member for Nanaimo-Cowichan-The Islands received yesterday, we are advised that Mr. Campbell sent the minister a telegram on April 20 in which he said:

> We received your telegram informing us that it would take you months to enter into an interim agreement with us regarding the use of the Coqualeetza laundry facilities. Your telegram reached us more than three weeks after we supplied you with a feasibility study concerning the Coqualeetza laundry.

I took the reply of the minister to be that he had not received any such feasibility study; yet the telegram stated it was sent three weeks ago. The minister also replied that he had no knowledge of any such telegram; yet the indication is that it was sent two days ago, and as I say a copy was received by the hon. member for Nanaimo-Cowichan-The Islands yesterday.

Mr. Speaker: Order. A dispute as to an answer given by a minister is substantially a dispute over the facts of the situation. Such a matter cannot be raised as a question of privilege. Tomorrow the hon. member might ask the question again during the question period, and perhaps this will give the minister the opportunity to reply to the hon. member. Orders of the day.

• (3:20 p.m.)

GOVERNMENT ORDERS

ARCTIC WATERS POLLUTION PREVENTION ACT

PROVISIONS RESPECTING DEPOSIT OF WASTE, PLANS AND SPECIFICATIONS OF WORKS, SHIPPING SAFETY CONTROL ZONES, ETC.

The House resumed, from Friday, April 17, consideration of the motion of Mr. Chrétien

that Bill C-202, to prevent pollution of the areas of the Arctic waters adjacent to the mainland and islands of the Canadian Arctic, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Speaker: Call in the members.

And the question on the motion (Mr. Chrétien) having been put, it was agreed to as follows:

YEAS

Messrs:

Alexander
Alkenbrack
Allmand
Anderson
Andras
Asselin
Badanai
Barnett
Barrett
Basford
Béchard
Beer
Bell
Benjamin
Benson
Bigg
Blouin
Borrie
Boulanger
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Caccia
Cadieux (Labelle)
Cafik
Chappell
Chrétien
Clermont
Coates
Cobbe
Comeau
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Crouse
Danforth
Danson
Davis
Deachman
Deakon
Diefenbaker
Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Drury
Dubé
Duquet
Fairweather
Flemming
Forest
Forget
Forrestall
Foster
Gauthier
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Goode
Goyer
Gray
Grills
Guay (St. Boniface)
Haidasz
Harding
Harkness
Harries
Hees
Hellyer
Hopkins
Horner
Howard (Skeena)
Howe
Jamieson
Jerome
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lachance
Laflamme
Laing (Vancouver South)
Lambert (Bellechasse)
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Laniel
La Salle
Latulippe
Lefebvre
Legault
Lessard (LaSalle)
Lewis
Lind
Lundrigan
MacEachen
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
MacRae
McBride
McCleave
McGrath
McIlraith
McIntosh
McKinley
McNulty
McQuaid
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Marshall
Mather
Matte
Mazankowski
Monteith
Moore
Morison
Muir (Cape Breton-The Sydneys)
Munro
Murphy
Nesbitt
Noble
Noël
Nystrom
O'Connell
Olson
Orange
Orlikow
Osler
Otto
Ouellet
Paproski
Peddle
Pelletier

Division

Penner
Pepin
Perrault
Peters
Pilon
Portelance
Pringle
Prud'homme
Reid
Ricard
Richard
Richardson
Ritchie
Rochon
Rock
Rodrigue
Rose
Roy (Timmins)
Roy (Laval)
Ryan
Rynard
Saltsman
Schumacher
Scott
Serré
Sharp
Simpson
Skoberg
Skoreyko
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Marquette)
St. Pierre
Sullivan
Tétrault
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Valade
Wahn
Walker
Whelan
Whiting
Winch
Woolliams
Yewchuk—198.

NAYS

Nil.

• (3:40 p.m.)

Mr. Speaker: I declare the motion carried.

Bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

TERRITORIAL SEA AND FISHING ZONES ACT

PROVISION OF TWELVE-MILE TERRITORIAL SEA, ELIMINATION OF CONTIGUOUS FISHING ZONES

The House resumed from Friday, April 17, consideration of the motion of Mr. Sharp that Bill C-203, to amend the Territorial Sea and Fishing Zones Act be read the second time and referred to the Standing Committee on External Affairs and National Defence.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome this opportunity to speak on Bill C-203 to amend the Territorial Sea and Fishing Zones Act. This legislation represents another milestone in a process which has been going on for many years in an effort to secure exclusive rights for Canadians over the widest possible area of water adjacent to our shores. I have studied this bill and I am in agreement with the intent of this legislation. The Secretary of State for External Affairs (Mr. Sharp), in his opening remarks, stated that the proposed amendment to the Territorial Sea and Fishing Zones Act contains two major changes.

The first change would establish the territorial sea of Canada at 12 miles in substitution for the present limit of three miles and, as a result, would eliminate the present nine-mile fishing zone which would become incorporated within the 12-mile territorial sea. The second change would authorize the government by Order in Council to create exclusive Canadian fishing zones comprising areas of the sea adjacent to the coast of Canada. The intent of this legislation is something I have advocated and supported for a considerable time. The minister and I may differ on the proper procedure to be followed, but we share similar views on the objective to be gained. As a matter of fact, the 12-mile limit legislation has been a hot political issue as far back as 1957 when I first entered Parliament.

At that time we recognized the need to take proper concrete action to conserve our fisheries resources, and Canada's position was put forward forcefully and clearly at the United Nations Conference on the Law of the Sea at Geneva in 1958 when we attempted to get agreement on a three-mile territorial sea and a nine-mile contiguous zone. When this effort met with some objections we put forth our proposals at the second conference on the Law of the Sea held in Geneva in the spring of 1960 in which we called for a six-mile territorial sea and a six-mile contiguous zone. Unfortunately, when this formula was put to a vote it failed to receive the required support by only a fraction of one vote. This conference on the law of the sea was the last one held in the past 10 years. In this period our actual fisheries resources have further declined and the problems associated with our fishing industry in Atlantic Canada have multiplied.

I listened with considerable interest to the statement made on Friday, April 17, by the Secretary of State for External Affairs when he introduced this legislation to Parliament. If one reads the words at the beginning of his speech, especially where he deals with the two international conferences to which I referred and also the discussions this government has held with the United States and other countries concerning base lines and conservation methods, one somehow gets the impression that the Secretary of State for External Affairs is confused, tired and frustrated; that he has thrown up his hands in despair.

Mr. Sharp: It is the opposition which causes the despair.

Mr. Crouse: The minister says it is the opposition that is causing the despair. I submit it may be the nature of his problems which burden him down. Let us look at his words as recorded at page 6013 of *Hansard* of April 17:

> Subsequently, when as a result of our extensive and protracted canvassing efforts we and our British friends found that we had the support of over 40 countries for such a proposal—

I presume that here he is referring to the "six and six" proposal.

> —provided the U.S.A. and other major powers would agree, we approached the U.S.A. again with this evidence. Unfortunately, we were told, after waiting a further period of many months for the U.S.A. reply, that the U.S.A. did not consider it timely or appropriate to join with us in our efforts. Mr. Speaker, I hope it will not be taken as a sign of anti-Americanism but merely as an affirmative sign of Canadianism for me to say that we really are not prepared, in light of these developments, to accept the proposition that it is always desirable to proceed multilaterally instead of unilaterally.

What nonsense is this! The minister is implying there is no longer any value in

international meetings and discussions, but this implied situation is not in accordance with the facts. For example, the meetings held at Geneva were far from being failures. The five conventions approved at the end of the 1958 conference contain 113 articles which in their scope and importance offer conclusive testimony to the measure of success which was then attained. Established law was defined and codified. New laws were written. Rules affecting such subjects as the continental shelf, the conservation of the food resources in the oceans of the world, the measurement of coastal base lines and a wide variety of other new as well as old legal questions were settled. In the opinion of those attending the conference it was an outstanding demonstration of conciliation, of mutual goodwill and the progressive development of international law which in itself is the very spirit of the United Nations.

• (3:50 p.m.)

As a matter of fact, there were only two questions remaining to be settled after the 1958 conference and these two questions were still not settled following the 1960 conference. These questions dealt with, first, the breadth of the territorial sea and, second, the size or area of the fishing zone. I agree that these are thorny problems, but if international agreement could be reached on these matters, a better international climate would be created in which the solution of our fisheries problems and many other outstanding problems could be resolved very much easier than now appears possible.

I believe that if we are to solve our problems as nations we must co-operate one with the other in the hope of reaching mutual understanding and agreement on the course to be followed for the betterment of all mankind.

Mr. Sharp: Hear, hear.

Mr. Crouse: Unilateral action or damn-the-torpedoes-full-speed-ahead action may be all right in wartime, but there is still a lesson to be learned by comparing the fruits of consultation with the effects of independent action.

Obviously, in other fields, consultation with the parties concerned is still considered the desirable course to be followed. Here, I refer to the negotiations going on in another but nevertheless related field at Geneva where the 25 nation disarmament committee has been working for eight years on a treaty to ban the installation of nuclear weapons on the world's ocean floors. The final draft of a treaty has been approved by the United States negotiators and it is now under examination by the Soviet Union where approval is anticipated. The new document will join the 1963 treaty banning atmospheric testing of nuclear devices, the 1967 treaty banning nuclear weapons in outer space, and the 1968 nuclear non-proliferation treaty on the list of achievement since the disarmament committee began its work in March of 1962. Surely, if we can agree internationally not to blow the people off the face of the earth with nuclear weapons we should be able to agree internationally on the proper methods of conserving our fisheries resources in order to provide food for the people of the world.

I cannot help but wonder what is happening between our Department of External Affairs and the state department in Washington. On the surface there would appear to be little or no consultation on matters of importance between our two countries. Consultation seems limited to the sending of notes back and forth, similar to the one published in *Hansard* by the Secretary of State for External Affairs (Mr. Sharp) on Friday, April 17.

Mr. Sharp: What about the meetings in Ottawa and Washington?

Mr. Crouse: The minister made his speech. I did not interrupt him at that time but listened attentively to him. I hope he will give me an opportunity now to put my views on the record with regard to international negotiations which should have been undertaken, but which obviously were not.

In our opinion, the Department of External Affairs is falling down on the job. The finger points to the minister in charge of this department who obviously lacks the ability to cope with our international problems. I say this because we now know that only five days ago, five days before the state department rejected Canada's proposed extension of jurisdiction beyond the three-mile territorial sea to prevent pollution, President Nixon signed a bill giving the United States jurisdiction beyond its three-mile limit for pollution control. Two other bills are now before the U.S. senate which would give the United States government jurisdiction beyond three miles for anti-pollution purposes. The U.S. federal water pollution control act of 1970 authorizes U.S. officials to board ships as far as 12 miles off the coast to enforce anti-pollution regulations to be formed under the bill, and to make arrests. Shipowners and operators are

liable for damages up to $14 million if they pollute the sea within 12 miles offshore.

Further, the act sets anti-pollution jurisdiction far beyond the 12-mile limit over offshore drilling operations on the seabed. I claim that nothing would indicate more clearly the complete breakdown of negotiations between our two countries than the fact that at no time in his speech did the Secretary of State for External Affairs indicate that similar legislation for pollution control was being set up by the United States. I submit that he did not say this because he did not know anything about it.

Mr. Sharp: It is quite different.

Mr. Crouse: In view of all the discussions of our territorial sea, I believe it is desirable to review the actions of the Liberal government on this matter since it came into office in 1963. In 1964 the Parliament of Canada passed the Territorial Sea and Fishing Zones Act. The purpose of the act was twofold. First, the act established the fishing zones of Canada at 12 miles from the coastline. Second, the act applied the straight baseline system to the Canadian coastline. The adoption of this method by Canada for delimiting its territorial waters was of great significance. Indeed, the fixing of a baseline is important because it determines how far seaward a coastal state may exercise jurisdiction within a certain breadth of territorial waters beyond the baseline. It also affects the extent of contiguous zones for purposes of customs, fiscal, immigration and sanitary regulations. Now that Bill C-202 has been introduced to the House, the control of water pollution should be added to the list. The baseline of territorial waters has become significant also for the implementation of the contiguous fishing zones.

The 1964 act comprised six sections. One is very general and provides that the act applies to any federal legislation. One establishes the territorial sea at three miles from the baseline. One establishes the fishing zone at nine miles from the outer limits of the territorial sea, that is 12 miles from the baseline. One vests the Governor in Council with the power to make regulations for the drawing of the straight baselines, and one requires the minister of mines and technical surveys to establish charts showing the territorial sea limits and the fishing zones of Canada.

This act was promulgated on July 23, 1964, and it is interesting to read some of the remarks of the then secretary of state for external affairs, the Hon. Paul Martin, as reported at page 5208 of *Hansard* of July 8, 1964 when he spoke on this legislation. This is what he had to say, among other things, and I am not going to quote all his speech:

> In the committee I indicated that it was the intention of the government, when this bill was passed by parliament, to establish without delay the fishing zones of Canada, and I indicated that this might be done by bringing into effect those portions of the bill relating to fishing, while deferring until a later date proclamation of the rest of the bill. After this testimony my colleagues and I considered the matter further, and subsequently the Minister of Fisheries stated on my behalf in the committee that the government did not expect any undue or substantial delay in bringing the entire bill into force. Therefore the situation is that there will be no delay in proclaiming the bill in its entirety after it has passed through the house and received royal assent.
>
> I should like to take this opportunity to emphasize one or two points which my colleague and I mentioned in the standing committee. When the bill is proclaimed the immediate effect will be that the fishing zones of Canada will be established from existing base lines. These base lines will follow mainly the sinuosities of our coast line, pending the drawing of straight base lines by the governor in council under clause 5 of the bill.
>
> Those countries with which we are not having negotiations will therefore be immediately excluded from the fishing zones—

Listen to the wording.

> —and their vessels will be subject to penalties under the Coastal Fisheries Protection Act if they operate in those areas. This will be of great importance to Canada in view of the rapid development by certain countries of large, modern fishing fleets capable of operating very far from their home ports.

• (4:00 p.m.)

It is unfortunate that the government did not follow through with its intentions as stated by the minister on that date instead of waffling, procrastinating and dilly-dallying to the extent that we now see our fisheries resources seriously depleted. Many of the fisheries problems faced by our fishermen on the east coast of Canada today are directly related to the indecision and inaction of the federal Liberal government in implementing the terms of this legislation as it was passed by this House in 1964. I would point out, Mr. Speaker, that the eight nations to which the minister refers in his speech of 1964, which are to be excluded from our fishing zones, are still fishing, as I stand here today, in the same waters as they were fishing then. If I am in error let any minister in the House stand up and dispute that statement. I emphasize that the eight fishing nations referred to in that speech in 1964 are still fishing in the same

waters today as they fished at that time. Is it any wonder that our fishermen are crying out, "Oh Lord, how long do we have to wait for some action by this government"?

Even under this new legislation, Mr. Speaker, we were informed in committee yesterday by the Secretary of State for External Affairs that the Canadian government is powerless to restrict in any way the fishing operations of the French fleet, due to their historic and treaty rights on our coasts. We will still have this anomaly where Canadian deep-sea fishermen can only conduct their operations 12 miles off our coasts while the trawlers of France can fish up to our shoreline in many areas, especially in the Gulf of St. Lawrence. Under these conditions, how can we adopt any meaningful conservation practices to protect our fisheries resources?

Under the 1964 legislation the implementation of the Act depended essentially on the regulations to be made by the Governor in Council, as he had to provide for the geographical co-ordinates of points from which baselines would be determined. In November 1967, more than three years after the Act was promulgated, the Governor in Council adopted regulations providing for the geographical co-ordinates of points to be applied along the Labrador Coast in the southwest and east of Newfoundland, but skipping entirely the area of Newfoundland adjacent to St. Pierre and Miquelon.

In May, 1969, five years after the Act was promulgated, regulations were adopted to provide for geographical co-ordinates of points for southeast and south of Nova Scotia, for southwest Vancouver Island and the west coast of the Queen Charlotte Islands. But to this day, Mr. Speaker, regulations providing for the information on which the baseline should be drawn have not been adopted for all the Canadian sea coasts. Is it any wonder that our fishermen are concerned about this matter?

It is worthy of note that there is no provision so far providing for the baseline of the north coast of Canada, and here I mean our Arctic coast. The same situation applies to the maps to be established by the minister of mines and technical surveys. At present there is no map showing the Canadian territorial sea on the north coast of Canada, which is the nub of the problem to which I referred when speaking on Bill C-202.

On April 8, 1970, a bill was introduced in this House, Bill C-203, which we are now discussing, which amends the Territorial Sea and Fishing Zones Act of 1964. The purpose of this amendment is to extend the territorial sea from three to 12 miles from the baseline. The method of establishing the baseline remains unchanged, but a principle of international law is stated. New section (5) in the bill provides for the use of low water lines of low tide elevations as baselines for measuring the breadth of the territorial sea. Another important purpose of the amendment is the elimination of the contiguous fishing zones as they were provided by the 1964 act. Under the amending bill the Governor in Council is vested with the authority to prescribe as fishing zones of Canada any areas of the sea adjacent to the coasts of Canada.

In my opinion, the Territorial Sea Act, and the bill seeking to amend it, pose a number of problems. I hold the view that each state must decide how and when it will effect the delimitation of its territorial waters, but I believe this delimitation should be made in accordance with international law. To be precise, the act of delimitation is governed by domestic law, but its international validity is governed by international law. This fact was fully recognized in the case of the Fisheries Act, and the relevant passage of the judgment, (1) 1951, International Court of Justice, page 116 reads:

> The delimitation of the sea areas has always an international aspect; it cannot be dependent merely upon the will of the coastal state as expressed in its municipal law. Although it is true that the act of delimitation is necessarily a unilateral act, because only the coastal state is competent to undertake it, the validity of the delimitation with regard to other states depends upon international law.

Therefore, it follows that any unilateral legislation may be met by unilateral protestation which, according to international law, will have the effect of rendering such legislation inoperative. In addition, the legal situation may well be aggravated by repressive economic measures in many fields other than fisheries, but which also have a marked effect upon our economy.

I also contend that the position of the Canadian government on this matter is inconsistent. In the explanatory notes included with the bill opposite page 2, we are told that the baselines for measuring the breadth of the territorial sea will be measured in keeping with state practice and international law as reflected in the Geneva Convention on the Territorial Sea and Contiguous Zone.

The Prime Minister (Mr. Trudeau) has also recently stated in this House, on April 8, 1970, as recorded at page 5623 of *Hansard:*

> Canada strongly supports the rule of law in international affairs.

A similar statement was made in this House by the right hon. Prime Minister in 1969 when he declared on May 15 of that year, as recorded at page 8720 of *Hansard:*

> The law of the sea is a complex subject which, as can be understood, may give rise to differences of opinion. Such difference, of course, would have to be settled not on an arbitrary basis but with due regard for established principles of international law.

What are the established principles of international law? As far as I can determine, the main sources of legal principles are the 1958 Geneva Law of the Sea Convention, and the fisheries case decided in 1951 by the International Court of Justice, to which I referred a moment ago. But so far Canada has not ratified the above convention, and only last week the government denied the authority of the International Court over the protection of the environment and the conservation of the living resources of the sea. To justify that position the government declared:

> Canada is not prepared however to engage in litigation with other states concerning vital issues where the law is either inadequate or non-existent and thus does not provide a firm basis for judicial decision.

In the same statement, the Prime Minister continued:

> There is an urgent need for the development of international law establishing that coastal states are entitled, on the basis of fundamental principle of self-defence, to protect their marine environment and the living resources of the sea adjacent to their coasts.

But, Mr. Speaker, who participates in the elaboration of the international law if not the International Court of Justice? The position taken by Canada could lead to the assumption that Canada is anxious to see the development of international law in the matter of pollution but that she does not trust the World Court and prefers to legislate unilaterally. I contend that the action of the government will not establish a rule of international law but only a national statute.

Strangely enough these are not my views alone. On this particular issue my views are strongly endorsed by the Secretary of State for External Affairs, as reported in an exclusive article in the *Globe and Mail* of Thursday, September 18, 1969, which I have here, and which allegedly was written by Mitchell Sharp. The entire article is factual. I will not read all of it but here are the minister's views on the interplay of systems, and they buttress my views entirely. There can be no argument between the two of us after I read this article. This is what he wrote:

• (4:10 p.m.)

> Domestic law and international law are interrelated and interdependent. The domestic laws of Canada and other states can influence international law. On the other hand, it cannot be said that domestic action can be taken in isolation of international law. The interplay and interpenetration of the two systems of law is most apparent perhaps in the field of the law of the sea. Action taken internally must therefore be either compatible with the current state of international law or, at least, be defensible in a court of law.

Those are the words of the Secretary of State for External Affairs. I continue:

> Otherwise, there is no chance of a domestic position being recognized by the international community.
>
> Any action by any state touching on its jurisdiction or sovereignty has implications for other states. Assertion of one's sovereignty by domestic legislation or otherwise is not of itself sufficient to gain its acceptance by other states. If it were, there would, of course, be international anarchy.

The minister was even stronger in his statements than I have been. He continued:

> Even the most powerful states must take into account the need for international acquiescence.

Mr. Sharp: That is what we hope we will have.

Mr. Crouse: The minister says, "That is what we hope we will have." In one place he makes one statement, and in another, another statement. Yet, according to his words of September 18, 1969, he endorses my viewpoint unequivocally.

It is our contention that it is almost impossible to implement this legislation fully. The delimitation of territorial waters requires the prior establishment of a proper baseline, but the fixing of that baseline is not an easy task. This is evident from the fact that although Canada applied for the first time the straight baseline principle in 1964, all the geographic co-ordinates have not as yet been defined. The problem is more complicated than it first appears when one reads the Canadian Territorial Sea and Fishing Zones Act. The Act gives the Governor in Council power to make regulations for the establishment of straight baselines but it does not state that the regulations should conform to international law principles. In this respect the present amend-

ment may be considered as an improvement, although it only mentions the use of the low water line and low tide elevations. Moreover, it should be noted that the necessity for Canada respecting the principles of the Geneva convention on the territorial seas is only included in the explanatory note of the bill.

International law has established several rules to be followed in the drawing of straight baselines, and it makes a distinction between rules applying to coastal archipelagoes and outlying archipelagoes. Therefore, the first problem to be determined is whether the Arctic islands form a coastal archipelago or an outlying archipelago. Professor Donat Pharand, author of "The Waters of the Canadian Arctic Islands" appearing in the spring 1969 edition of the Ottawa Law Review at page 414, says between pages 418 and 420 that the Canadian Arctic archipelago under review presents considerable difficulty in categorization. Legally, however, the question arises as to whether these islands may be considered as constituting a single unit justifying a uniform regime for the various bodies of water between them. This is a question which Canada should resolve before proceeding with a delimitation of its territorial waters in the Arctic.

In my opinion, this section of the legislation which deals with our Arctic region is premature owing to the many areas of uncertainty in the region. When Dean Maxwell Cohen appeared before the Standing Committee on Indian Affairs and Northern Development in 1969, he enumerated these problems. He stressed how difficult it would be to establish sovereignty over an island system. He also mentioned the problem raised by the ice pack in the Beaufort Sea. For some, the ice pack is only frozen water; others, however, consider that it should be compared to land. He questioned also in what system the Beaufort Sea, where there is no Canadian island, should be included.

It seems to me, in view of these problems, that the first step taken by this government should have been directed towards establishing Canadian sovereignty in our Arctic region, not only over the islands in that region, but also over the waters separating those islands. We must never forget that we are neighbours of the two most powerful states in the world, the Union of Soviet Socialist Republics and the United States of America. We are the three principal nations sharing the Arctic basin. In view of the resources in the American north, the resources in the Canadian north and the unknown resources in the Russian north, I believe it would be opportune for Canada to consider sponsoring a major conference on the common problems of the Arctic, a conference which could also be shared in by Denmark and any other countries concerned about the benefits that would ensue from this type of conference. Such conference would certainly not do any harm to our legal position in this area and it may well be of immeasurable value to us and to mankind generally.

In closing, Mr. Speaker, may I say that I believe this act delegates too much authority to the government. It seems almost needless to repeat that under our modern form of government Parliament is increasingly delegating its powers to the executive. Although this action is justified for many reasons, this delegation of authority should not result in a complete abdication of power by Parliament.

In the Territorial Sea and Fishing Zones Act, Parliament has given the Governor in Council full authority to define the geographical co-ordinates necessary for the drawing of baselines. While this is a technical operation, the establishment of territorial water limits previously mentioned raised many problems with which Parliament did not attempt to deal in the Act itself. It could be argued that Parliament has purely and simply left it to the government to deal with such serious questions as those mentioned in paragraph 4 of this bill.

This legislation is a step, a very small step forward for mankind—to paraphrase another man—in his efforts to control and improve his environment. It can only be regretted that unanimity was not secured among other nations so that we could achieve our objectives and thereby have a better opportunity of preserving our fisheries resources.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, this bill, and the one which just passed second reading by the unanimous vote of this House, are rightly regarded I think as being two very important measures and, in many ways, complementary measures. Just to emphasize the fact that the party to which I belong is giving its support to both these measures, may I briefly refer to what the leader of our party had to say on Bill C-202 when it was introduced. I quote from page

5943 of *Hansard* for April 16. The hon. member said in part:

> ...it is quite apparent that Bills C-202 and C-203 complement each other. Therefore, I think they must be considered together when the basic principles underlying this legislation are under discussion. I want to begin by congratulating this government on introducing this legislation. Any reservations we may have about some aspects of this question should not detract from our wholehearted endorsation of the legislation contained in these two bills.

Although these two bills have been introduced by different ministers, and although following second reading they will go before different committees of this House, I hope we will not lose sight of the fact they are interrelated. Indeed, if I may just interpolate here, I hope that those in charge of arrangements for committee meetings will see to it that the committee meetings relating to these two bills will be scheduled in such a way that interested members from either of the committees involved will be able to attend the committee consideration of both bills. It seems to me, Mr. Speaker, that the questioning that will be involved, and the evidence to be given by some expert witnesses, will be of such a nature that this will be a most desirable procedural arrangement for us to follow.

The Secretary of State for External Affairs (Mr. Sharp), when speaking to the second reading of this bill, mentioned four specific reasons the government had in mind in introducing the legislation. A little later on in his remarks the minister added what I consider to be a fifth, and in some respect perhaps the most important, consideration involved in this bill.

• (4:20 p.m.)

I do not intend to enter into any extensive discussion of it, but it should be noted the minister did make reference to the impact of the proposal to extend our territorial waters to a 12-mile limit upon the Northwest Passage across the northern part of Canada. I wish to refer at the outset to what the minister said. I quote from page 6015 of *Hansard:*

> Since the 12-mile territorial sea is well established in international law—

I find that a very interesting assertion by the minister. I hope at the committee stage additional information will be put on the record to support that statement. Certainly, it is one with which I will not quarrel.

> —the effect of this bill on the Northwest Passage is that under sensible view of the law Barrow Strait, as well as the Prince of Wales Strait, are subject to complete Canadian sovereignty. Whether or not those who disagree with us wish to allege that other waters are not Canadian, they cannot realistically argue any longer concerning these two bodies of water.

That statement raises many interesting questions to be explored at the committee stage. If I understand it correctly, territorial waters are not really under the complete sovereignty of a nation. The minister should give some further explanation of what he had in mind when he said that this bill, and the territorial law of the sea, would give Canada complete sovereignty over these two particular passages. He should relate that statement to some of the assertions made in the debate on Bill C-202 concerning Arctic pollution control and the general Canadian position of sovereignty in the Arctic. I am intrigued by the remarks the minister made prior to the portion of his speech I have quoted.

If I understand him correctly, the declaration or assumption of a partial sovereignty by a state has been construed in international law not to lessen its claims to a wider extension of sovereignty. This has been upheld in a judgment of the international court. This matter was dealt with briefly the other morning when the minister appeared before the Standing Committee on Fisheries and Forestry. Because of the imminence of today's debate, some questions in this general area were raised. I hope in the committee stage this whole area will be further explained and amplified. One or two of my colleagues may have something further to say about this whole question from the standpoint of international law before this particular stage of the debate is concluded. I welcome the information from the minister that the impact of this bill will strengthen Canada's control over any actual attempts at navigation through the Northwest Passage. We in this party fully agree with the intention of the government in this regard.

Another important question raised in the minister's speech is the impact of this bill on the matter of pollution control. The minister indicated it will provide adequate control over pollution on our east and west coasts. In that sense, it is a companion approach, although not identical, to the measure for pollution control in the Arctic. I feel that any real understanding of some of the aspects of the minister's assertion that this bill will protect the full range of Canada's vital interest in our coasts and provide the comprehensive jurisdictional base which Canada requires to enforce anti-pollution controls outside the

Arctic waters will occur only after we see the legislation that the Minister of Transport (Mr. Jamieson) intends to introduce in the form of amendments to the Canada Shipping Act.

I am sure the Secretary of State for External Affairs will not quarrel with my suggestion that the kind of control we are prepared to exercise over shipping and the discharge of oil into our coastal waters, either directly or as a result of an accident, is a very vital matter. Some aspects of this important question lie within the general area that is covered by the Canada Shipping Act and come under the purview of the Minister of Transport.

I recall when the House considered an amendment to the Canada Shipping Act in 1956. At that time Canada ratified the international convention for the prevention of the pollution of the seas by oil. Additional legislation, as set out in part VII(a) of the Canada Shipping Act, was enacted for this purpose, as well as providing that the regulations required for the control of shipping in respect to the discharge of oil would also apply within Canada's own waters, both internal and territorial. It was felt that this amendment to the Canada Shipping Act, and the terms of the 1954 international convention for the prevention of pollution of the sea by oil, which was considered by the former railways, canals and telegraph lines committee, made significant progress in solving the matter of pollution of our waters by oil.

The passage of time has made it very evident that the proposals of the international convention and the domestic legislation adopted by Canada at that time were certainly no longer adequate in providing protection from oil pollution. For quite some time further action has been required, both in the international field by way of new treaty arrangements and in changes to our approach to domestic legislation. It was in my mind at that time that we should consider more closely this question of the pollution of the sea by oil. I pointed out that the coast of North America was not set out in the annex to the treaty, which provides what are referred to as prohibited areas in which the dumping of oil is forbidden. It was suggested to me that the density of traffic and the incidence of the discharge of oil into the sea around this continent were not sufficient to cause any special concern. I mention all this to illustrate the extent to which knowledge of the danger resulting from discharging oil into the sea has advanced since 1956 when this proposal was being considered by the House of Commons.

• (4:30 p.m.)

I am not at all convinced that the bill as it stands will provide comprehensive protection, despite the minister's assertion. Its success will depend a good deal on the kind of legislation which the Minister of Transport will be placing before us. I hope this legislation will at least be introduced and read the first time before we proceed very far in the committee with our study of the bill now before us, so that we may be familiar with the terms of both these measures. Nor am I convinced that protection is adequate because of the government's intentions with regard to the declaration of fishing zones. The proposed amendment to the Fisheries Act, which is also to some extent a companion piece of legislation, will provide authority for some control over the extent to which waste matter goes into the water within our fishing zones. These fishing zones are considered to be coastal waters. In my view the present bill is not adequate to control pollution in terms of what could be done under the proposed amended Fisheries Act. However, it will enable the government to exercise more jurisdiction over an area extending a further nine miles seaward, enable us to control more effectively navigation close to our shores, and will allow us to exercise more stringent controls over what may be put into those waters by sources other than vessels. So, the minister is quite correct in saying that these proposals will make possible some measure of control over the pollution of our coastal waters on the Atlantic and the Pacific.

I do not intend to try to analyse what further effects the bill may have, other than in relation to increased control over navigation, ship movements and so on. I do not know whether the Minister of National Defence (Mr. Cadieux) intends to enter the debate at any point. One inference from the statement made by the Secretary of State for External Affairs is that these proposals will make for increased national security. I would interpret this as meaning the defence of Canada, though it seems to me that in this day and age, with the kind of hardware modern nations possess, this aspect must be a relatively minor one. Perhaps when the minister closes the debate he will have some comments to make on the importance of this element in relation to the full range of Canada's vital interests, to use the hon. gentleman's phrase. Possibly other hon. members who are more knowledgeable than I am on these matters

will be commenting on this subject before the second reading stage is completed.

The aspect of this measure with which I find myself most directly concerned is its impact on the future of our fishing industry, aside from, of course, the whole question of the quality of our waters. I might recall that the bill establishing the Territorial Sea and Fishing Zones Act was considered so closely related to fisheries matters that it was studied after second reading by the fisheries committee rather than by the external affairs committee. It is therefore important to analyse the effect of the measure from the point of view of its effect on our fisheries and our fishing resources, as did the hon. member for South Shore (Mr. Crouse). I feel that the change from a three-mile limit to a 12-mile limit will really have little practical effect as far as an impact on our fisheries is concerned. When the act we are now amending was first presented to the House, my hon. friend from Skeena and I argued diligently that then was the time we should proclaim our 12-mile territorial sea. We felt this would give us control over those waters for all purposes and that we could then have begun to think of our fishing zones measured from straight baselines. This would have given us a complete area subject to our regulation, an area including some of our most important fishing grounds. Unfortunately, as the hon. member for South Shore mentioned, one of the most important aspects of that bill originally, the establishment of fishing zones, never, in fact, came into effect because our baseline system left wide open certain important parts of what many of us feel should properly be regarded as internal Canadian waters—I refer, for example, to the Gulf of St. Lawrence and to the waters between Queen Charlotte Islands and the mainland of Canada.

I realize that the present bill is not designed to declare such waters to be internal waters, though I wish it had been. It will, however, close in part, at least, the gap which was left because the baselines contemplated in the original act were never drawn.

Before leaving this question of the territorial sea and its width, let me say I was interested to find in my files a draft of a suggested committee report—it was not presented to the House because it was not approved by the whole committee. It was drafted by my hon. friend from Skeena and myself in June, 1964 when Bill S-12 was before us for consideration. We suggested that the committee recommend as follows: first, that the principle of a 12-mile territorial sea measured from straight baselines between given points be affirmed by the Parliament of Canada; and second, that the bill should be divided into two parts, the first of which would deal with the territorial sea and a separate bill would deal with the question of baselines, co-ordinates, and their effect upon our fishing areas.

• (4:40 p.m.)

It is rather interesting to look back to a document of this kind, which one helped to draft as long ago as that, and to realize that over that period of time these matters have moved to the point where the government itself is now prepared to put forward as being well established international law—to use the words of the Secretary of State for External Affairs—the proposals that the hon. member for Skeena and I were urging upon the government in 1964. I suppose one can take the pace of the events in this connection as an indicator that some of the suggestions that we advance at this time may in another 6, 8 or 10 years be put forward as proposals by the government of Canada, though I hope sooner than that.

The Territorial Sea and Fishing Zones Act was brought forward in 1964, but I think it was not until June 1969 that action was finally taken on the matter of proclaiming straight baselines. We moved away from the territorial sea and fishing zones concept of following the traditional sinuosities of the coastline.

One of the suggestions that I want to put forward at this time, suggestions that I would be very happy to have the Secretary of State for External Affairs take up because I believe the law would provide for this if the bill as drafted were passed, is that this proposed bill be used not merely for the purpose of closing certain gaps in our existing baseline system in order to encompass certain areas like the Gulf of St. Lawrence and areas on the west coast as fishing waters, but that it also be used to establish our fishing zones on a basis which would be much more realistic as far as providing some real protection to our fisheries and fisheries management is concerned.

The proposed amendment in clause 2 of the bill suggests that the fishing zones of Canada comprise such areas of the sea adjacent to the coast of Canada as may be prescribed by the Governor in Council. I remember the battle we had to try to convince the House that the baseline co-ordinates should be established by Parliament rather than by regulations passed by the Governor in Council; but I am pre-

pared to suggest that the terms of this legislation would be appropriate if the government were prepared to act upon it to the fullest extent that the meaning of the words make possible.

What I am suggesting is that, while we are in effect abolishing our fishing zones as they currently exist, the present government should, since it intends to cover areas like the Gulf of St. Lawrence, Hecate Strait, Queen Charlotte Sound and Dixon Entrance—something which I feel should have been done in 1964—go a step further and consider this proposed amendment to mean that the areas of the sea adjacent to the coasts of Canada for fishing zone purposes be defined as the areas of our adjacent waters extending to the edge of the continental shelf. I touched upon this matter the other morning when the Secretary of State for External Affairs appeared before the fisheries committee and asked for some clarification of the meaning of this bill on that particular point. The minister indicated a restricted approach, that is to say, merely the closing of these areas that I have contended should be inland waters within the fishing zone boundaries.

May I make the plea to him at this time that he give further consideration to what I think he himself is prepared to admit would be a desirable step as far as the realistic management of our fisheries is concerned. Indeed, the Minister of Fisheries has given indication from time to time that he recognizes the necessity for this sort of action. This need for action has certainly become apparent to the commercial fishermen on the west coast of British Columbia as a result of the incursions made by large foreign fishing fleets with their mother ships, supply vessels and so on. If one looks at what other fishing nations have been doing, and if one takes the view that the minister has expressed with regard to the 12-mile limit being well established by international law, then it seems to me that we are well on the way toward being able to uphold internationally the validity of the concept that international law provides for control of fishing areas adjacent to coasts, namely the areas lying above and within the outer boundary of the continental shelf.

This is one of the principal regrets that the members of this party have about the proposed application of this legislation. Indeed, it is one of the reservations that was in the mind of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) when he spoke on behalf of this party during the introductory stage of Bill C-202 and expressed the view, which I have put on the record, that in many respects these are companion pieces of legislation. I hope that before the bill passes and after we have explored the whole question in committee of how important it is to take steps at this time to protect the resources of our seas above the continental shelf, we will be given some declaration by the government of their intention to adopt the principle of fishing zones extending to the outer extremity of the continental shelf. I would be interested to hear the views and comments of the Minister of Fisheries on this aspect of the matter.

• (4:50 p.m.)

He has referred publicly on more than one occasion to the idea of extending our management, particularly over our groundfish stocks, in some such manner as this. As he knows, one of the members of this House who represents a Vancouver Island constituency has put forward a proposal of this nature in a bill. I feel there is growing concern that this Parliament should take this kind of action in order to protect the resources of our Canadian fishermen. It is all very well for the minister to talk about the management of these resources, but I do not think we can take any steps towards the proper management of these resources unless we are prepared to say they lie within our fishing zones. By that I am not necessarily saying we would not continue to recognize existing rights that fishermen from foreign nations may have in some of these areas. We do not take this stand with any desire of altering what may be going on in respect of negotiations for withdrawal of other nations from the Atlantic coast areas that are to be enclosed within the original concept of the fishing zones, but rather to assert our desire that the resources of the seas be properly managed and conserved for the benefit of this and future generations of the human race.

Since up till now we have not been able to get full international understanding in these matters, we feel it is vital that we indicate our desire to accept the responsibility of ensuring that these resources are allowed to survive and thrive, and that they should be harvested only in a manner that is in accordance with proper conservation, primarily for the benefit of our fishermen in Canada, while not refusing to recognize that the fisheries of the world are important to all nations of the world. We are prepared to co-operate with other nations in ensuring that those who need

these resources must have proper access to them either through purchase or engaging in fishing activities in some of the areas that might be within the limits we could claim through adopting this principle.

I should like to conclude by saying I am glad to know the government has moved as far as it has in these two bills we have before us. I hope that the unanimous vote given to Bill C-202 would be repeated in respect of this one if one were to be called. Unless there is some indication to the contrary, it would hardly be necessary for us to call another formal, recorded unanimous vote on this bill as we did on the other one. We could perhaps take the two of them as being read together to ensure that Canada's interest in the general safety of the world is, in our view, enhanced by the kind of legislation that has been put before us by the government.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I want to say a few words today about Bill C-203. This legislation will amend Canada's Territorial Sea and Fishing Zones Act. It will push our territorial sea out from three miles to 12 miles. It will also enable the government to draw a number of important fisheries closing lines.

The extension of our territorial sea by an additional nine miles is important in so far as Canada's fishing interest is concerned, but more important particularly to our commercial fishermen and to Canadians generally is the completion of our fishing zones. As a result of this all important legislation, we will be able to complete a fisheries map of Canada. We will be able to draw fisheries closing lines across the mouth of the Gulf of St. Lawrence, across the Bay of Fundy and across Queen Charlotte Sound on the west coast.

Those of you who followed my announcement last year about the drawing of baselines on both our coasts will recall that we drew a series of straight baselines from headland to headland. We published maps of Canada's existing sea within these lines to down along the east coast of Nova Scotia, for example, and down the west coast of Vancouver Island. They enclosed literally hundreds of bays and inlets. They declared those bays and inlets not only to be exclusive fishing zones of Canada but also, because of the nature of our legislation of 1964, Canadian territory as well.

Now, we are introducing another concept. It is the concept of fisheries closing lines. These closing lines will finally enclose large additional bodies of water such as the Bay of Fundy, the Gulf of St. Lawrence and Queen Charlotte Sound on the west coast.

The idea of fisheries closing lines is a new one. It is new to our fisheries in Canada and it is new to the international fishery. It is a new idea which we Canadians have invented to suit our own fisheries situation, yet I know it is also one which, like the 12-mile fishing limit which Canada pioneered in the 1950's, will recommend itself to other countries, particularly to other fishing countries of the world.

I would draw hon. members attention more specifically to subsection (1) of Section 4 of our present Territorial Sea and Fishing Zones Act. This is to be repealed and the following substituted in its place:

> —the fishing zones of Canada comprise such areas of the sea adjacent to the coast of Canada as may be prescribed by the Governor in Council.

In other words, the cabinet can approve and by Order in Council set certain co-ordinates on the map of Canada and then draw fisheries lines between these co-ordinates, thereby describing as exclusively Canadian, or for the exclusive Canadian management, large bodies of water in this country. Where we have already drawn straight baselines we will continue to claim an additional 12 miles as being part of our fishing waters in Canada. But there are still important gaps. These gaps on the east coast, such as the gap across Cabot Strait and the Strait of Belle Isle, can be closed by fisheries closing lines.

There is an important distinction here between baselines, as the terms used in the Territorial Sea and Fishing Zones Act of 1964, and the additional or supplementary concept of fisheries closing lines. Baselines in our legislation apply to two things; they apply to territorial sea as well as to the fishing zones of Canada. The fisheries closing line concept, on the other hand, applies exclusively to fishing. It does not necessarily apply to territory. It applies to the protection of the living resources in the fishing waters of Canada. It does not apply to transportation, it does not apply to shipping as such, it does not apply to aircraft flying over the zone in question and it does not apply indeed to submarines passing under the surface of the water.

Perhaps I should put it another way. We are putting the finishing touches with this fisheries closing line concept to the fishing map of Canada. Under this legislation we will be able to close all the remaining gaps around

our shores. We will be able to manage all of those fishing waters and all of those resources within our fishing zones, both from the point of view of conservation and from the point of view of protecting our living resources in the water from pollution.

I mentioned last week when we were introducing the amendments to the Fisheries Act that we would be putting more teeth in that legislation with regard to pollution. That legislation extends to the limits of our Canadian fishing zones. These fisheries closing lines will provide one further way in which we can properly define these fishing zones of Canada. In other words, they also define the limits of our jurisdiction in respect of the anti-pollution provisions of the Fisheries Act.

The Prime Minister (Mr. Trudeau) has stated in the House of Commons that Canada strongly supports the rule of law in international affairs and that Canada is prepared to participate actively in multilateral efforts to develop agreed rules on environmental and fisheries matters. He has also said that Canada is not prepared to engage in litigation with regard to vital issues where existing law is either inadequate or non-existent. We are not prepared, in other words, to argue our case in a court of law when there is no firm basis for a judicial decision.

• (5:00 p.m.)

The Canadian government has, therefore, submitted a reservation to Canada's acceptance of the compulsory jurisdiction of the International Court of Justice. This reservation relates to those areas of the law of the sea which are undeveloped or inadequate. One of these areas, as hon. members know, relates to the bill we passed unanimously this afternoon dealing with the prevention of pollution in our Arctic seas. The other has to do with the present Bill C-203 which will establish the right of the government by Order in Council to proclaim fisheries closing lines. In other words, we have declared we will not go to the International Court of Justice in relation to both these matters and specifically in the case of this bill in respect of the new concept of fisheries closing lines.

Hon. members who have an intimate knowledge of Canada's fishery will realize that the mere drawing of lines will not in itself stop foreign fishermen from fishing off our shores. Some countries have long standing treaties with Canada in respect of fishing outside and inside our fishing waters. A larger number traditionally have fished in these areas and have used traditional methods of fishing for particular species in what we regard as the fishing zones of Canada. These practices will have to be phased out. We do not intend unilaterally or overnight, so to speak, to rule these countries out of our fishing zones.

We will have to enter into negotiations with these countries and arrange for the phasing out of those privileges within what will now be clearly defined in maps published in the first instance in the Canada *Gazette*, as our fishing zones. We have already had talks with the countries. These talks commenced in 1964 right after the Territorial Sea and Fishing Zones Act was first passed. These talks were not finalized because at that time we were unable to specifically define what we regard as the geography, if I may use that term, of our own fishing zones. Until we were in a position to table maps and be specific about the co-ordinates involved we were not in a position to conclude any agreements or understandings with other countries. Now, with the completion of the fisheries map of Canada, hopefully this summer we will be in a position to complete this phasing-out process.

There are several treaties. We have a treaty with the United States in respect of fishing in Canadian waters and reciprocal rights of Canadians to fish in United States fishing waters. We also have a long-standing treaty with France. I understand it dates back to 1713 when the Treaty of Utrecht was signed between Great Britain and France. This was modified to some extent by a further convention in 1904 between Great Britain and France. It had relation to Newfoundland, which at that time was a colony of the United Kingdom. This treaty of 1904 is referred to as the French treaty or as the treaty relating to the French shore, essentially the western coast of Newfoundland. Under that treaty, which still obtains at the present time, the fishing vessels of France can come and go as they please and when they please. They can fish right up to our shores. They are not bound by our Canadian fisheries legislation. Our own fishermen must observe this legislation and large Canadian trawlers in the main must stay 12 miles off-shore.

Because we as Canadians are prevented from doing certain things which fishermen from France can do under this treaty, this is a source of irritation. We will have to re-examine this treaty after this legislation is passed with a view to creating a set of cir-

cumstances which are tolerable from our Canadian fishing industry's point of view, and which I would think would be better from a public relations point of view so far as France is concerned. Later this week reference may be made again to the treaty we have with the United States. The Secretary of State for External Affairs (Mr. Sharp) said a few minutes ago in the House that we will be signing a reciprocal fishing agreement with Washington. We have arrangements with the United States which essentially are reciprocal. Our fishermen in most cases enjoy the same rights in their waters as we provide to United States fishermen in our waters. These reciprocal arrangements with amendments have gone on year after year.

Essentially, we are out-fishing the United States fishermen. We certainly are doing so on the east coast. It is to our advantage to have this reciprocal agreement and make it as broad as possible. They can enter our exclusive fishing zones and we can enter theirs. On the west coast this reciprocal agreement is of particular interest to Canada because a large percentage, more than half, of our west coast halibut fishery depends on access to the exclusive 12-mile fishing zone of the United States, along the coast of Alaska and in the Bering Sea. As I am referring to Alaska as well, their coast is roughly four times the length of the British Columbia coast and therefore this reciprocal arrangement on the west coast in respect of the shoreline is very much to our advantage. What I would envisage with the completion of our fisheries map of Canada, with the drawing of the remaining fisheries boundaries and the fisheries closing lines is that we will still want to have, and indeed enjoy, a good relationship with the United States and welcome any type of reciprocal fishing arrangement which in the main liberalizes reciprocity in fishing between Canada and the United States.

There are a number of other countries whose fishermen during the years have fished in Canadian waters. The United Kingdom, France, Norway, Denmark, Portugal, Spain and Italy have had a long record of performance. They have traditional fishing practices in some of our east coast areas. Their fishermen and fishing vessels will, therefore, have to be phased out over a period of time. They, however, are in a different category. Their continuance there is not based on a treaty but merely on the fact that they have come and gone over a period of many years. I am not one of those who believes in shutting out foreign fishing fleets entirely. I know there are certain species of fish off our shores, and some of them within our exclusive fishing zones, which will be of interest to people of other countries and which may not be of any immediate commercial value to Canadians. I would hope we would always encourage their development by visitors to our shores up to at least a sustained yield level of production. I could conceivably see a species like the west coast dogfish in this category, and there may be others that we may continue to want to see exploited off our east coast as well.

[Mr. Davis.]

Having said that I am concerned, as I know many hon. members are, about the management in the sense of a sound conservation practice in respect of a limited resource. The fishery of the world is indeed a limited resource. It is in a position which cannot withstand the tremendous pressure from modern fishing gear and the latest fishing techniques. Our capability to catch fish already exceeds the supply. It certainly exceeds the ability of the resource to withstand this great attack by man. We need, therefore, to limit our efforts in many areas and scale them to the resource to make sure the resource is cropped on a sustained yield basis.

• (5:10 p.m.)

Within our own fishing zones we have begun a system of licence limitation by which we are cutting back on the numbers of vessels active in our own Canadian waters. We are reducing the fishing capacity in some cases to one-quarter or one-third. A quarter or a third fewer vessels can catch all the fish that could possibly be caught and still leave enough fish for future years which will provide a reasonable level of income for the fishermen. If we are to scale down our efforts in this way, and in a sense, to withdraw the fishing capacity from our waters, we need to have these waters managed and under control. They cannot be subject to the capricious attack of fishermen of other countries who come when it suits them, then leave and not come again for years after the resource itself has been depleted.

On the west coast beginning in 1965 the Russian, and to some extent, the Japanese fishing fleets moved in. They moved into Queen Charlotte Sound. Over a period of two years they reduced the catch per unit of effort, the quantity of groundfish that could be caught per day at sea, by approximately 60 per cent. They have not come back to

Queen Charlotte Sound. Now, with the drawing of our fisheries closing lines, they will be unable to come back. But it is this indiscriminate fishing on a very large scale in areas which cannot sustain that level of activity, which must be discouraged. It is within our power, and certainly will be within the power of the Canadian government with this legislation, to protect our fishing waters from efforts of this kind.

On the east coast last spring as many as 60 vessels owned by foreign nationals arrived to explore a brand new fishery here—the new herring fishery. It was developing here because we had exhausted our herring fishery on the west coast. The westerners came east and began to exploit the resource in the Gulf of St. Lawrence. Their success was news overseas. It was news in the North Sea where the herring fishery is all but depleted. So last spring 60 vessels arrived. We intercepted those vessels and let them know that they were not welcome in this new fishery. Many of them turned back to fish elsewhere. However, there has been a limited attack on our new herring fishery as a result of this intervention on our part. We did not really have the law of Canada behind us. We could merely ask them to turn back. Now, with the fisheries closing lines we will indeed have the sanction of Parliament behind us and we will be able to prosecute foreign vessels which might cross our fisheries closing lines.

I mentioned the drop in our catch on the west coast due to the large foreign trawlers operating there, the large Russian and Japanese fishing fleets. On the east coast, the fleets of more nations have also been active. Our Canadian trawler fleets have also been active. Of course they have been kept out 12 miles by our regulations, but the impact on the inshore fisheries has been substantial to this extent. The catch in quantity of our inshore fishermen in Newfoundland, for example, has dropped roughly by half over the last 10 to 15 years. The average catch of the average small inshore fisherman in Newfoundland is down to about 50 per cent of what it was in the mid 1950s. These are the situations which we are encountering. They are particularly difficult for small people with low incomes struggling to make a livelihood for themselves in many remote locations. By drawing baselines, by drawing fisheries closing lines, by pushing out our fishery limits 12 miles beyond the baselines, we have at least reserved for these people many bays and inlets which formerly were open to foreign fishermen as well. We are at least fencing off some significant areas for better management, for conservation and for the protection of the livelihood of small people in many outlying areas in this country.

I hope that, like the Arctic seas pollution prevention bill this afternoon, this legislation will also commend itself to members in all corners of the House. I hope that it will be passed unanimously as well. It is legislation which, as some hon. members have said, is long overdue. It is long overdue in one sense, but let hon. members remember that again we are creating a precedent. We are creating an international precedent here in the form of fisheries closing lines. We will be criticized for it, but I believe that our defence is primarily one of conservation and good management and also pollution prevention in the sense that all of the provisions of our Fisheries Act, for example, will extend out to these fisheries closing lines, out to our fisheries limits, to protect us from pollution of all kinds and from damage which can occur to our fishery resource.

This is a good bill and I think it warrants the support of all parties. I know it will be discussed in the Committee on External Affairs, but I hope its period there will be brief, that it will be back shortly and that we will soon be able to publish the list of coordinates and maps completing the fishing zones of Canada for all time.

Mr. Barnett: I wonder if the minister would permit me to ask him one question. Earlier in his remarks, he referred to the fact that this legislation was putting the finishing touches—I think that was the expression he used—to our approach to conservation of our fisheries. Did he mean that in a completely literal sense, that this was the final step that the government has in mind? Would he mind explaining whether or not we are to take those words literally?

Mr. Davis: This legislation does not in any way refer to waters beyond what I might refer to as the exclusive fishing zones of Canada. These lines will indicate the limit where Canada has sole authority in respect of its fishery. In time I hope Canada will also have a very substantial voice in the management of fishery resources over all of its continental shelf. It is the largest continental shelf in the world, including the Grand Banks. We must take initiative there, initiative which should be taken by the coastal states. We should make sure that our resources over the shelf, 400 miles out of Newfoundland over

the Grand Banks, are properly managed. We must take the initiative there. But I do not regard those waters as exclusively Canadian from the point of view of exploitation. However, they are of vital concern to us and we must do everything we can to make sure that they are cropped intelligently and that our share in that cropping increases as time goes by.

Mr. James A. McGrath (St. John's East): As the minister indicated, this legislation will certainly commend itself to the House. As my colleague, the hon. member for South Shore (Mr. Crouse) has said already, it is our intention to give it our support and to expedite its passage in order to get it before the committee. In this particular case, however, I regret very much that the bill will be going before the external affairs committee and not the fisheries committee, because I think the type of study that this legislation requires can only be conducted in the Standing Committee on Fisheries and Forestry where there is a fund of knowledge on this subject. The suggestion has been made that it might be a good idea, for the purpose of examining this bill, to combine the two committees. Certainly, I am strongly of the view that only the Standing Committee on Fisheries and Forestry can give this bill the scrutiny it warrants.

• (5:20 p.m.)

The Minister of Fisheries (Mr. Davis), who just took his seat, said that this bill completes the fisheries map of Canada. I would like to think that it does but, unfortunately, as the minister said in his subsequent remarks, it falls short of achieving that goal. So far as completing our fisheries map is concerned, in my view the bill represents nothing but a pious hope. I do not blame the Minister of Fisheries for this, because it is something which concerns areas outside his responsibility. Nevertheless, the bill merely expresses a pious hope that it can do what it says it will do, the same pious hope that was outlined in the legislation when the fishing zones Act was passed in July, 1964.

At that time, the then Secretary of State for External Affairs, the former hon. member for Essex East, said as reported at page 5209 of *Hansard*.

> This bill wil lestablish a 12-mile fising zone in Canada. It will enable the government to establish the straight baseline system. The straight baselines are not spelled out, for the reasons we gave in the committee, because this would interfere with the negotiations that are under way.

[Mr. Davis.]

That was six years ago, Mr. Speaker, when the negotiations were under way.

> This is following the practice established by other countries who have initiated new fishing zones based on the straight baseline system, countries such as Norway and Iceland, and other countries I mentioned in the committee.

I repeat that it is six years since that Act first came before Parliament. I think it is fair to say that measure was supposed to be the fulfilment of a rash political promise made during the 1963 election campaign when the Liberal party promised that if it formed the government it would unilaterally impose a 12-mile limit. They said they would declare the 12-mile limit first, and negotiate afterwards. History has proven the folly of this course. Six years later the promise is still unfortunately unfulfilled.

The minister, who has a great deal of sympathy for the plight of the inshore fishermen of my province and of the Atlantic Coast generally, referred to the fact that the inshore fishery yield has dropped to half of what it used to be. In my view, Sir, this drop in the yield from the inshore fishery is a consequence of our inability to enforce our own laws, our inability to protect our own coastline from infringement by the fishing vessels of foreign nations. The legislation which we impose, which has to be adhered to by our own nationals, is ignored by the fishermen of other countries who fish off the Atlantic coast. You have the paradox of Canadian deep-sea trawlers not being permitted by law to fish within the 12-mile limit whereas foreign trawlers such as French, Spanish, Portugese and Russian do so with impunity. Indeed, as the minister himself just said, the French fleet does so with the full protection of law.

The French fleet fishes within the 12-mile limit with the full protection of ancient treaty which was referred to by the minister, the Treaty of Utrecht, signed by Britain and France in 1713 and amended and renegotiated in 1904. That treaty today has as much force of law as it had when it was renegotiated and signed in 1904. What the minister forgot to mention was that, in addition to the fishing rights which this treaty gave France in 1713 and 1904, it also gave France the islands of St. Pierre and Miquelon. It is because of these islands that we will never be able to successfully conclude negotiations with France to have this ancient, out-moded, out-dated treaty, which we inherited from Great Britain, repealed.

I think the minister knows that, and I think the Secretary of State for External Affairs

(Mr. Sharp) knows it. I think it is unfortunate for us because the consequences are serious. The minister is aware of what is taking place today on the French islands of St. Pierre and Miquelon, which lie within ten miles of the coastline of Newfoundland. Substantial funds are being expended by the government of France, as a program under the Common Market, to develop additional harbour facilities at St. Pierre and to provide substantial cold storage facilities for the storage of fish. This makes it possible for foreign trawlers, many of them from Common Market countries, which fish within the 12 mile limit as a consequence of either traditional or treaty rights, to land their fish within sight of our shores on the islands of St. Pierre and Miquelon. In my view this is the great weakness, the great anomaly, the great shortcoming of this legislation.

We have treaty and traditional rights with Britain, Portugal, Norway, Denmark, France, Spain and Italy, and until we renegotiate these treaty and traditional rights in the light of present-day circumstances, all of the legislation that we pass in this House, including the amendments now before us, will be useless. They are in fact redundant. As a matter of fact, Mr. Speaker, they are nothing short of deception to the fishermen of the Atlantic coast who have to obey this law knowing full well that their competitors can disobey it with impunity. You have the double hazard of these trawlers fishing within our 12-mile limit and then having the privilege of landing their fish for cold storage and trans-shipment right on the Grand Banks themselves, on the French islands of St. Pierre and Miquelon.

As a consequence of questions directed to the Secretary of State for External Affairs on a number of occasions, we were told in this House that the government was still negotiating with the government of France with a view to obtaining an agreement to establish a baseline on the south coast of Newfoundland. We are still negotiating. That is diplomatic language, Mr. Speaker, probably indicating that the negotiations have reached a stalemate. That is probably the diplomatic way of saying we have come up against a stone wall and the French government will not yield an inch. As the hon. member for South Shore (Mr. Crouse) pointed out in committee the other day, if we were unilaterally to establish our baseline on the south coast of Newfoundland it would go right through the French Islands of St. Pierre and Miquelon. In fact, such a line would literally go right through Miquelon if the baseline were to be extended from Cape Race to Cape Ray, or from the tip of the Burin Peninsula to Cape Ray.

There is the problem, Mr. Speaker, and it is a double-barreled one. I know that the Minister of Fisheries feels very strongly about this matter, notwithstanding the fact that he had to leave the chamber a few moments ago, but obviously he has not been able to convince his colleague, the Secretary of State for External Affairs, on it. To me our course is an obvious one. Why should we be bound by the terms of an ancient treaty contracted between the government of France and the government of the United Kingdom in 1713?

• (5:30 p.m.)

Mr. Sharp: A piece of paper; that's all.

Mr. McGrath: A piece of paper, the Secretary of State for External Affairs says?

Mr. Sharp: That is what the hon. member suggested it was.

Mr. McGrath: Perhaps the minister would give me a chance to conclude what I am about to say. Why should we be circumscribed by the terms of this treaty?

Mr. Sharp: Because it is a treaty.

Mr. McGrath: It is a treaty made between Britain and France before Newfoundland was part of Canada, indeed before Canada was a nation. Surely, in the light of present day circumstances our government, if it has any backbone at all, should be able to go to the government of France and demand a renegotiation of this treaty in the interests of conservation, of protecting our own fishermen and fishery resources as well as enforcing our own pollution laws. All these things would give the Secretary of State for External Affairs a strong case for asking the government of France to reopen this treaty so that it may be renegotiated in the light of present day circumstances. If the government of France refuses to renegotiate, as it probably will refuse, then I suggest we ought to appeal to the International Court of Justice and ask to have the treaty repealed. If that fails, then I suggest that we, as a sovereign state, could tell the world that the provisions of this treaty are not in our interest. We did not negotiate the treaty in the first instance; it was negotiated before we were a country, and we no longer accept its provisions. However, at the same time we would respect, as we must, the sovereignty of France over the islands of St. Pierre et Miquelon.

An hon. Member: Why respect that sovereignty?

Mr. McGrath: Obviously, we must respect the sovereignty of France over these French islands. But why should we respect the right of fishermen of that country, in the light of the knowledge we have, to fish where they do? Why should we extend to fishermen of that country the right to fish within the three-mile limit while we, in fact, do not permit our own nationals to do so.

Mr. Bell: It is amazing.

Mr. McGrath: This legislation makes a mockery of justice. It is sheer window dressing. All it will do is impose a handicap on our Canadian fishermen and give to the fishermen of France an extreme advantage.

An hon. Member: Why will you vote for the bill, then?

Mr. McGrath: I intend to vote on it because it represents half a loaf, and half a loaf is better than no loaf.

Mr. Thompson: There, you have your answer.

Mr. McGrath: There is another aspect of the legislation to which I want to refer. I find it difficult to understand why your rights on the continental shelf, which were spelled out by the 1958 Geneva convention, are not incorporated in this bill. When the Secretary of State was out of the House the Minister of Fisheries remarked on this point and strongly suggested or implied—I do not want to put words in his mouth—that that provision ought to have been included within the ambit of the legislation. These rights are acknowledged by the Geneva agreement and are for the purposes of exploring and exploiting the natural resources of the continental shelf. I repeat, why cannot they be incorporated in this bill? It is just as important for us to spell out in a piece of legislation our rights to the continental shelf as it is for us to spell out, in a half hearted and practically meaningless way, our rights to extend our territorial seas from three miles to 12 miles offshore.

I think we ought to finally define what traditional rights of the countries we are talking about are. I am sick and tired of hearing about the traditional fishing rights of those countries; they compete with Canada in the markets of the world for fisheries products. I wish the government would define what those traditional rights are. Why does someone not sit down with the governments of Portugal, France and Spain and say, "Let's talk about these traditional rights because we have pollution laws to enforce and conservation laws to enforce. We must protect our own nationals and our own fishing industry." Last and by no means least, I say that if this legislation is to mean anything, the treaty made by Great Britain in 1713 and amended in 1904 ought to be renegotiated or, in my view, repealed.

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I understand there is a disposition in the House to wind up this debate fairly early. I will be very brief in my intervention. I rise, of course, to support the legislation. It has been very heartening for me to see, both in this debate and in the debate on the previous bill dealing with Arctic pollution, the interest that has been generated in southern Canada in the great north country. True, we have seen that interest rising and falling throughout the history of Britain and of our own country. Perhaps this time the interest aroused will remain.

I will not urge the ripping up of treaties, as the previous speaker did. I certainly welcome the support Conservative party members have expressed for this bill, qualified though their support is. I find their reasons for supporting the bill a trifle confusing. The first two or three spokesmen for that party berated the government for taking unilateral action and establishing an Arctic pollution control zone in the absence of international law in this field. The hon. member who just spoke wanted to rip up a treaty that we have had with France since 1713 and renewed in this century.

Mr. McGrath: It was not renewed by us.

Mr. St. Pierre: Well, if the hon. member suggests that Canada should rip up every treaty which preceded our assertion of full sovereignty following the first world war, I am afraid he will have difficulty in explaining his actions to other nations of the world.

I want to deal very briefly with only one aspect of this legislation. In the debate on the bill preceding this one, and of course the provisions of Bills C-202 and C-203 are interrelated and inextricably linked together, several members of the opposition parties said that increasing our territorial sea limit from three to 12 miles means in some way that we are abandoning our claims in the Arctic to larger expanses of water. This, as I said previously, I

dispute. However, some hon. members went farther. The hon. member for Yukon (Mr. Nielsen), according to page 6004 of *Hansard*, goes so far as to say, as I understand his words, that we should claim great tracts under some sector theory. He said, as is reported about the middle of the page, in the left hand column:

> We own the whole of the area between the 60th meridian and 141st meridian and up to the North Pole.

This, Mr. Speaker, is a claim to regions far beyond the waters of the archipelago. It is a claim to waters, therefore, that go beyond even, in some cases, the 100-mile limited jurisdiction which we are seeking in the Arctic pollution control zone legislation. Unless and until I can be corrected, I can find no substantiation in my reading for this claim of ownership of the ice of the Beaufort Sea, to name one region.

• (5:40 p.m.)

The drawing of sector lines on maps of the north orginated with Senator Poirier. I gave the wrong date to the House the other day when quoting the senator. I said it was 1903, but it should have been 1908. He suggested, and the government later adopted in its cartography, that we should draw these sector lines to the pole to include lands so far undiscovered or unclaimed within these lines. The Russians at various times, including April 15, 1926, did the same. They claimed the lands which might be discovered within their sector lines.

I wish to deal briefly with the Russian position today, as I understand it. There seems to be no doubt that the government of the U.S.S.R. has greatly blurred its claim under the sector theory. It certainly claims the islands of the north. It claims extensive territorial seas, as we are claiming, but I draw to the attention of the House that the American coastguard ship *Northwind* sailed north of the Russian Island of Severnaya Zemlya without protest from the Russians. The *Northwind* went north in 1967 and, as I understand it, crossed what could be called the Russian sector line, without protest. However, when this ship sought to pass through the Vilitsky Strait lying between the mainland and island, the Russians did consider this their territorial waters and forbade passage. As it happened, the *Northwind* became stuck in eight feet of ice and was broken free by our own icebreaker, the *Sir John A. Macdonald.*

I do not raise this point in order to urge the Canadian government to cease drawing sector lines on the map. We should continue to draw them. However, I draw to the attention of the House that it is not in the interest of this nation to make unreasonable claims. It is not in our interest to make claims more extensive than those of one of the two great superpowers on earth, namely Russia. Our claims should be those which meet our interests and those which we can sensibly enforce. At present, this is the extension of the three-mile limit to the 12-mile territorial limit which, as I pointed out in a previous speech, if all else fails, creates a gate of territorial waters across the Northwest Passage. I maintain that one gate is the equivalent of many gates.

The country remains faced with a test on this matter in which we find the two superpowers, the United States and, according to my understanding the U.S.S.R., in agreement. It is the position of the United States that the waters of archipelagos lying between oceans should be subject to a high seas passage. It is my understanding that Russia, which has some concern about the right of Turkey to close its canals to military traffic in times of war, is supporting the American government in this position. Needless to say, this must be vigorously resisted by the Canadian government. We cannot accept a high seas passage through the Arctic archipelago.

Because my time has almost expired, I am not going to deal with the various questions of international law which I, as layman, understand to support the perfectly justifiable Canadian claim that the Arctic archipelago is not comparable with oceanic archipelagoes such as Indonesia in the West Indies. The Arctic archipelago has never been an international waterway. I am convinced we can prevent it from becoming a high seas waterway. I do not urge the Canadian government to bar innocent passage to safe shipping. In fact, we all look forward to the establishment of considerable commercial traffic through the Northwest Passage, provided it is safe and provided we are the judges as to whether it is safe.

With my eye on the clock, Mr. Speaker, I thank the House for its courteous attention.

Mr. R. Gordon L. Fairweather (Fundy-Royal): I too will try to be brief, Mr. Speaker. This bill and Bill C-202 are additions to an awareness of the laws of the north. I think it is right to put things into context as the last speaker did, and I will follow his example, on what was somewhat disparagingly called the northern vision. I participated in an election campaign where the talk was that the govern-

ment, led by the right hon. member for Prince Albert (Mr. Diefenbaker), was moving from igloo to igloo. I do not think many people today are quite as disparaging about this foresight. The right hon. member was not the only one. There have been many Canadians throughout the past 100 years who have foreseen the laws of our north.

I do not believe the unanimous vote today in this House was, in any sense, an exhibition of Chauvinism or what might be called hysterical xenophobia in this country. I think we are taking positive action. I know I am not supposed to refer to a vote, but it is very difficult not to do so since these bills came before us in tandum, so to speak. I hope our discussions on this bill and other legislation will be free of anti-Americanism and will present a positive and sensitive view of our country and our needs, both in the north and in our seas. I think the two can be differentiated very easily. I do not see why the government of the United States should have been surprised by this and other legislation.

On February 19, 1970, a distinguished senator, Gaylord Nelson, delivered an important address in the United States Senate when introducing legislation entitled, "The Marine Environment and Pollution Control Act of 1970". I will not bore hon. members or spend time giving the details of this legislation, but the senator could well have taken part in a debate the other day on the bill having to do with pollution in the Arctic.

There is also the matter of the Amchitka Island tests. I am trying to be fair about this. The United States government was also insensitive toward the understandable misgivings of this country about moving nerve gases from Okinawa to the State of Washington. These are really forerunners and part of the total picture of Canadian concern. There is another hon. member who wants to speak about the reservation concerning the international court. I am sure this is so. It is certainly the point of view of members of this party that these reservations are but preludes to international agreements. If there is no international jurisprudence on this aspect and on the pollution aspect, so be it. However, it does not in any way inhibit governments from reaching agreements, as they tried to do in Brussels and I assume will be doing in Stockholm in 1972, to avoid pollution of the oceans.

I cannot resist a rather amusing quote by the former Secretary of State for External Affairs whose views on international matters used to grip the House, for part of my time here, in any event. Speaking of the rule of law in world affairs, he said that international law, while not his mistress, was assuredly his constant companion. Well, the government leader in the Senate is now without a mistress and, apparently, in the light of these reservations, he has no companion.

• (5:50 p.m.)

Mr. Sharp: Oh, oh.

Mr. Barnett: On a point of order, Mr. Speaker. In view of the well-known interest of the hon. member for Esquimalt-Saanich (Mr. Anderson) in this subject matter, I wonder if there might be a disposition on the part of hon. members not to see the clock until, say, ten minutes after six, should the hon. member require extra time in which to give us the benefit of his thoughts.

Mr. McGrath: That would depend on how the hon. member proceeds in the few minutes we have left.

Mr. David Anderson (Esquimalt-Saanich): I can assure the hon. member for Comox-Alberni (Mr. Barnett) that should I still be talking at six o'clock he throw a book in my direction and I will take the hint that I have spoken long enough and promptly sit down. Seriously, I thank him for his suggestion, and I am grateful to the hon. member for Fundy-Royal (Mr. Fairweather) for cutting his remarks short so that I might be able to speak at this time.

I intend to speak first of all on the subject of the territorial sea, the feature which at present most concerns the Canadian public. This new legislation makes it possible for the Canadian government to consider Barrow Strait, and all of Prince of Wales Strait to be entirely Canadian territorial waters, rather than waters in a more questionable position, at least as far as the opinions of some other governments are concerned. We have made it clear by the provisions of this legislation that we regard these as entirely our territorial waters, regardless of the opinions of other nations.

I believe it is becoming a generally accepted idea among all nations that the concept of innocent passage is a term which includes freedom from the risk of pollution. The passage of a ship is not innocent if it results in pollution of the shores on either side of such straits as those I have mentioned. We have no intention of being dogs in the manger on this issue; I agree with previous speakers

that we should not become anti-American on this issue. Nevertheless, a coastal state has a special interest in preventing marine pollution, and innocent passage does not include passage through these straits by vessels which do not adequately meet safety or anti-pollution standards which this country has every right to insist upon. I therefore welcome and support the clause of this bill which would repeal section 3 of the present legislation. I feel this is necessary at the present time to make the government's position on the north perfectly clear.

The other point on which I should like to comment is the concept of fisheries closing lines. This is a new concept. It does not go quite as far as I would wish. Some times ago I presented a private member's bill to the House, Bill C-91, which would have made all waters over the continental shelf exclusive Canadian fishing zones. This would be better, in my opinion, than the present bill, but I am willing to admit I may be wrong on this. However, the present proposal is a step in that direction; it is a step based on more traditional concepts than was my bill, and I think it is well worth while.

The fact that we have at present foreign vessels fishing in Queen Charlotte Sound on the west coast, and similar bodies of water on the east coast, is most unfortunate. This new concept of fisheries closing lines will, I hope, tidy up the untidy situation which was left in the original territorial sea and fishing zone legislation of 1964. I would point out that it is not, of course, the final step that should be taken. I commend the hon. member for Comox-Alberni for questioning the minister on this point a few minutes ago. It is clear that the minister views this as perhaps a step only in what should be done with regard to the Canadian exclusive fishing zone, and not conservation on the continental shelf affecting many species, and conservation on the high seas affecting such species as salmon. Perhaps this matter might be further clarified at the committee stage of this bill.

We have heard a great deal today about how slow the government has been in bringing forward this amendment—from 1964 to the present day. Some members have stated that we have shown too much concern for the opinions of other nations. May I at least point out that in the five-year period before the original bill the Conservative party was in power, and saw fit to do nothing at all about this subject.

Some hon. Members: That is not true.

Mr. Crouse: On a point of order, Mr. Speaker. We have kept this discussion on a non-partisan basis so far and I hope the tenor of the debate will continue as it started out. I put on the record the fact that in 1958 and 1960 Canada made worth-while contributions to improving the law of the sea. We were within half a vote of getting agreement.

Mr. Anderson: It is true efforts were made at the Law of the Sea Conferences. But I am talking in terms of legislation, of unilateral action such as has been commended to the House by the hon. member from Newfoundland who spoke earlier this afternoon—I am sorry, I am not very good at remembering names of constituencies.

Mr. McGrath: St. John's—the oldest city in Canada.

Mr. Anderson: St. John's. It is important to point out that the original legislation was brought in in 1964 and that it is now being made more effective. I thank you very much, Mr. Speaker, for allowing me to continue until now.

Motion agreed to, bill read the second time and referred to the Standing Committee on External Affairs and National Defence.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, April 23, 1970

The House met at 2 p.m.

ORAL QUESTION PERIOD

CONSUMER AFFAIRS

REPORTED REDUCTION OF AUTOMOBILE SAFETY FEATURES BY MANUFACTURER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs who is, of course, the watchdog for the protection of the consumers of the country. Is he able to assure the House that the reported reduction by an automobile company in certain safety features does not constitute a hazard to the Canadian consumer in his capacity as a user of automobiles?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think the question should properly be directed to the Minister of Transport who is the minister responsible for the legislation on car safety to which the House gave approval only a few weeks ago.

Mr. Stanfield: A supplementary question, Mr. Speaker. May I explain to the minister that I put the question to him because I do not believe that the Minister of Transport has any regulations in effect yet under that act, and I was wondering whether the Minister of Consumer and Corporate Affairs, as protector of the consumer, had ordered any investigation into this reported reduction in safety features on automobiles. Has the minister ordered any such investigation, is he prepared to order such an investigation, or is he just going to sit back and say that it is somebody else's job?

Mr. Hees: As usual.

Mr. Basford: Mr. Speaker, I will consult with my colleague the Minister of Transport, who is responsible for the administration of the automobile safety program in Canada, so as to assure that there is no weakening of consumer protection.

Mr. Stanfield: Mr. Speaker, I have a further supplementary question. Would the minister himself also make an inquiry or have somebody else make an inquiry into the report that this cutback in safety features was ordered by the United States head office of the company in question?

Mr. Basford: Mr. Speaker, I will be happy to check that out.

PRICES AND INCOMES COMMISSION

GOVERNMENT POSITION ON STATEMENTS IN BROCHURE, "FIGHT INFLATION"

Mr. David Lewis (York South): Mr. Speaker, I also have a question for the Minister of Consumer and Corporate Affairs. Has the minister seen the brochure entitled "Fight Inflation" issued by the Prices and Incomes Commission, and has the commission consulted him, or to his knowledge any other department, as to the contents of the propaganda in the brochure?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): No, Mr. Speaker. The brochure was prepared by the commission and issued by it.

Mr. Lewis: Then in that case, Mr. Speaker, in view of the fact that there are contained in this brochure statements of policy about what should happen in the country, for example, that "pensions, wages and other money payments should not rise automatically in step with the cost of living because this would make inflation much more explosive"—I notice that the minister has a copy of the brochure in his hand—may I ask whether he and the government support this statement of policy by the commission?

Mr. Basford: Mr. Speaker, these are observations that are made by the commission. The commission is authorized to make such observations under its terms of reference. The particular observation to which the hon. member has referred should, I think, more properly be dealt with by the Minister of Finance.

Mr. Lewis: A further supplementary question. The Prices and Incomes Commission is answerable to this Parliament through the minister, not through the Minister of Finance. Therefore may I ask the minister, in view of the activities of the commission which have

resulted in no benefit as far as the reduction of prices is concerned, and since the commission has now been turned into purely a public relations body that is turning out misleading stuff of this kind, whether it is not now time to consider either abolishing the commission or firing its chairman?

Mr. Speaker: Order. The hon. member's supplementary is purely argumentative.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—FUTURE PLANS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the hon. member for Saskatoon-Humboldt, the Minister without Portfolio. A number of the letters I have received in connection with the so-called LIFT program, sometimes called the WARP program, indicate that the major weakness is that it is not tied to a long-term program. Farmers are asking what plans the minister or the government has if the farmers proceed to reduce their acreage as requested. What plans in general, not in particular, does the government have for the year 1971-72? The farmers need that information in order to determine the course they will follow in 1970.

Mr. Speaker: Order, please. The right hon. gentleman is asking for a rather general statement of policy. Perhaps the minister might reply in a brief way.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the only way I can reply briefly is by saying that the approach to this question has been made clear by the Minister of Agriculture and myself on previous occasions. It would require a statement on motions to repeat it at this time.

Mr. Diefenbaker: Mr. Speaker, I have read the statement and I, in common with the farmers in general, cannot understand what the government stands for. That is the reason I asked. If the minister does not know I will not press him.

WHEAT—ACREAGE REDUCTION PROGRAM—REFERENDUM OF PERMITHOLDERS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have a supplementary question for the Minister without Portfolio. In view of reports that many farmers on the prairies do not find the government's proposals under operation LIFT acceptable, and in view of the fact that the National Farmers' Union has called for the government to rescind this program, will the minister give consideration to holding a referendum of the 190,000 permitholders on whether or not they are in favour of the wheat acreage reduction program?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, among the 190,000 permitholders there are, of course, many who could find a change which would be suitable to themselves. It would scarcely be possible to hold a meaningful referendum in connection with a program of this nature.

Mr. Gleave: Mr. Speaker, in view of the fact that the United States government holds referendums in respect of its wheat programs, can the minister inform the House whether any opinion polls have been taken to test the farmers' reactions to the program and whether it is acceptable and, if he has done so, will he report the results to the House?

Mr. Lang: To the greatest degree, Mr. Speaker, the testing of the opinions of producers has come about by contact with farm organizations and farmers themselves. I may say that when it is understood by the producers that this plan is part of a total examination of where the agricultural industry stands and what must be done to put it into its proper state, there is general support and agreement for this approach.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

WHEAT—ACREAGE REDUCTION PROGRAM—INCREASE IN ACREAGE PAYMENT

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, in view of reports from the Dominion Bureau of Statistics and other agencies as to the intention of farmers to reduce their wheat acreage to 18 million and then to 15 million after operation LIFT was announced, and if the government insists on proceeding with the program and wants it to succeed, will the Minister without Portfolio say whether the government is considering increasing the amount of the acreage payment?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker. I must say I have not seen any very accurate analysis of what is likely to happen in regard to planting intentions. It really will be impossible to know exactly how much farmers have changed their plans until in fact seeding is completed.

WHEAT—ACREAGE REDUCTION PROGRAM—REPLACEMENT OF QUOTA PROVISIONS

Mr. John Burton (Regina East): Mr. Speaker, in view of the fact that all of the major farm organizations have declined to give their support to operation LIFT, is the minister considering any major revisions to the plan as originally announced and, in particular, is he considering dropping the quota provisions as he originally announced them in favour of some other more acceptable type of plan?

Hon. Otto E. Lang (Minister without Portfolio): The original allegation by the hon. member, as usual, is completely without foundation. Indeed, most farm organizations consulted supported the plan and its purposes. There seems to be some exception in respect of the National Farmers' Union whose initial support was not followed up with any consistency later.

Mr. Speaker: Order, please. We seem to be getting into the area of debate. The hon. member for Battle River will be allowed a supplementary and then the Chair will recognize the hon. member for Edmonton West.

WHEAT—ACREAGE REDUCTION PROGRAM—INCREASE IN PRICE OF GRASS AND FORAGE SEED

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to ask the minister in charge of the Wheat Board whether he or the Minister of Consumer and Corporate Affairs has looked into the fact that the price of grass and forage seed has doubled since the initiation of the LIFT program?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, we have not taken a specific look at the exact nature of what has happened to prices. I presume the hon. member is not suggesting that the $10 per acre offered in respect of conversion of land into forage was rather too high and thus has encouraged a move in the price of grass seed.

Mr. Speaker: Order, please. There are a number of members who are seeking an opportunity to ask supplementary questions on this subject. The Chair will attempt to return to the hon. member for Battle River and the hon. member for Regina East in a moment. For the time being the hon. member for Edmonton West has the floor.

Inquiries of the Ministry

EXTERNAL AFFAIRS

IMPROVEMENT OF RELATIONS WITH CARIBBEAN COUNTRIES—SUBSTITUTION OF AGRICULTURAL DEVELOPMENT FUND FOR SUGAR AGREEMENT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs either in his ministerial capacity or as Acting Prime Minister. In light of the replies given by the minister yesterday to my colleagues from Calgary Centre and Fundy-Royal concerning the unilateral abrogation by Canada of the 29 cent rebate on sugar and in view of the conditions which exist today in Trinidad and other Caribbean islands, would the minister undertake to make a full statement in the House outlining the position of the government, what it has done and what it proposes to do?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to make clear, as I did yesterday, that there is no connection whatever between the troubles in Trinidad and any action by the Canadian government. Second, since there seems to be some misunderstanding, not as a result of what I said yesterday but as a result of a statement in the press, I should like to say that there was no agreement between Canada and the islands of the Caribbean concerning the rebate of the sugar duty. It was a unilateral action on our part to pay the rebate and it was a unilateral action by which it was withdrawn.

Mr. Lambert (Edmonton West): In light of the reaction of the countries concerned, which is reported to be negative, and in view of the fact that Canada has a vital stake in promoting trade and relations in this area, surely the minister must understand that there should be a clarifying statement so that we can all get our views on the record in respect of this vital subject.

Mr. Speaker: The hon. member is advancing an argument for the consideration of the minister. I do not think it can be considered to be in the form of a question.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs. Does the minister consider it appropriate for Canada in conducting an aid program not to consult the country or countries being assisted when it proposes to make a change in the form of the assistance?

Inquiries of the Ministry

Mr. Sharp: Mr. Speaker, I think the Leader of the Opposition is also confused about the nature of the action. This was not part of any aid program. It was a unilateral action taken by Canada in anticipation of the signing of an international sugar agreement. Canada helped to get that agreement concluded. The price of sugar went up and we believe it is now more suitable to increase our aid program than continue this temporary rebate.

Mr. Stanfield: Mr. Speaker, would the minister not agree that in terms of the effectiveness of the assistance, as well as having a bearing on the relations between our country and the countries affected, it would be appropriate for Canada to consult the other countries concerned before making a unilateral decision about a policy, admittedly with a unilateral base in the first place?

Mr. Speaker: Order. I understand the Minister of Industry, Trade and Commerce would like to participate in the debate.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, if the Leader of the Opposition is interested in the facts it might be useful to say that West Indies exporters of sugar did not use the rebate fully and are not at present using fully the allocation under the international sugar agreement.

Mr. Lambert (Edmonton West): Mr. Speaker, I asked for a statement.

Mr. Speaker: Order, please. The point made by the hon. member for Edmonton West is well taken. It was not my understanding that the question was asked of the Minister of Industry, Trade and Commerce. I suggest that we should not enter the field of debate. The hon. member for Fundy-Royal has a supplementary question, I gather.

RESOLUTION PASSED BY CARIBBEAN GOVERNMENTS RESPECTING TRADE WITH CANADA

Mr. R. Gordon L. Fairweather (Fundy-Royal): What information can the minister give us about a meeting of heads of governments of the Caribbean countries which I am informed passed a resolution calling for an inventory of Canadian assets in the various Caribbean countries?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, such a meeting was held. They did not call for an inventory of Canadian assets. I have seen the resolution; I thought I had it with me, but I can get it. What it did call for was a review of trade and other relations between Canada and the islands, but it did not refer specifically to an inventory of assets.

SAFETY OF CANADIANS IN TRINIDAD—EVACUATION ARRANGEMENTS

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, may I ask a related question. Has the minister had any information on whether there has been any molestation of Canadians in Trinidad or injury to them or to their property?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I understand that yesterday or the day before some windows were broken. There have been, however, no injuries as far as we know to any Canadians, and certainly no violence has been directed particularly against Canadian property.

Mr. Harkness: A supplementary question, Mr. Speaker. What arrangements, if any, has the minister now made for the evacuation of Canadian personnel, tourists or otherwise, from Trinidad?

Mr. Sharp: Mr. Speaker, I hesitate to give the details because I would not want to create an impression that we are expecting that evacuation will be necessary. I believe that conditions have now improved somewhat and it is important that we do not create unnecessary concern. We have contingency plans for the evacuation of Canadians.

WOMEN

REPORTED STATEMENT BY MINISTER OF LABOUR—ROYAL COMMISSION REPORT

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I wish to direct a question to the Minister of Labour. Is the attitude the minister took to the over-eager feminists in Montreal on Wednesday, April 22, prompted by what Judy LaMarsh said about the minister in her much publicized book?

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is also directed to the Minister of Labour and is related to the last question.

Mr. Hees: You are blushing, Bryce; you are blushing.

Mr. Brewin: Was the minister stating government policy when he is reported to have said in Montreal yesterday that the object of the feminist movement should be not to produce a race of women who will at any given moment turn their saucepans into swords?

Mr. Speaker: Order, please. The hon. member knows that a question like that can only be directed to the Prime Minister or Acting Prime Minister.

Mr. Brewin: Mr. Speaker, may I direct my question to the Acting Prime Minister.

Mr. Speaker: Order, please. I doubt whether there is a supplementary which could be in order on this subject.

Mr. Brewin: May I try, Mr. Speaker, and then you can rule on whether it is in order. May I ask the Acting Prime Minister how soon it is anticipated that the Royal Commission on the Status of Women will be making its report?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not informed. I will make inquiries.

THE CANADIAN ECONOMY

INFLATION—CO-OPERATION OF ORGANIZED LABOUR IN ANTI-INFLATION PROGRAM

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. Over a week ago I asked the minister if he would take the first opportunity on motions to report to the House what success the Prices and Incomes Commission is having in persuading the leaders of organized labour to give that co-operation without which no anti-inflation program can be successful. He said he would speak to the chairman and would see about giving a report as soon as possible. Is he now in a position to ask for unanimous consent to revert to motions in order that he may give that report?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I discussed the matter with the chairman, as I said I would, and the commission has a number of initiatives under way. But it was the view of the chairman that nothing very useful could be said on motions at this particular time.

Mr. Hees: A supplementary question, Mr. Speaker. Is it not true that the leaders of organized labour have told the government to go fly a kite, and that the Prices and Incomes Commission has fallen flat on its face once again?

Mr. Speaker: Order, please. I have to interrupt the hon. member to suggest that his question is not asked correctly from a procedural standpoint.

UNEMPLOYMENT INSURANCE COMMISSION

ACTION TO SPEED UP PROCESSING OF PAYMENTS TO UNEMPLOYED

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Labour which I have asked previously on other days and I hope it has been brought to his attention. Would he be in a position within the next day or so to make a statement on motions concerning the proposals that the Unemployment Insurance Commission may have to clear up the endless delays and complications experienced by the unemployed in receiving their unemployment insurance cheques?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I might do better than that. I will arrange to bring the estimates of the Unemployment Insurance Commission before the appropriate committee within the next two weeks in order to give the hon. member and other hon. members an opportunity to question the representatives of the commission on its efficiency or inefficiency.

CONSUMER AFFAIRS

SURVEY OF COST AND QUALITY OF CAR REPAIRS

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs somewhat related to those asked earlier by the Leader of the Opposition. Is his department conducting a survey of the cost and the quality of car repairs in Canada and, if so, when can we expect a report?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): No, Mr. Speaker, it is not.

Inquiries of the Ministry

VETERANS AFFAIRS

INTEGRATION OF VETERANS CHARTER WITH SOCIAL WELFARE PROGRAMS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of Veterans Affairs. It arises from a reply given by the Prime Minister the other day which indicated that veterans benefits are being included in general social welfare policy. Is it now the policy of the government to integrate the veterans charter, which gives veterans special rights arising from the special services they rendered to the country, with general welfare programs?

Mr. Speaker: Order. This question was asked in similar terms on at least one occasion. I am not sure whether there is any point in having the minister give the reply which he has already given to the House.

Mr. Dinsdale: On a question of privilege, Mr. Speaker, the reason I am asking this question is that there was ambiguity in the answer and I have now phrased the question in such a way as to avoid that ambiguity. I am asking specifically whether the veterans charter is being integrated with the general social welfare programs?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): No, Mr. Speaker, it is not. There is quite a distinction between social legislation and social welfare. What the Prime Minister has said and what I have said is that veterans benefits are part of social legislation, not social welfare.

Mr. Dinsdale: I have a supplementary question arising from that answer, Mr. Speaker. In view of the minister's further reply, is it his intention to review the benefits under the veterans charter and increase them in light of the rising cost of living, prior to the general review of social welfare programs?

Mr. Dubé: Some of the benefits provided for veterans are now being reviewed under the white paper and are before the Veterans Affairs Committee at the present time.

MANPOWER

SUMMER EMPLOYMENT PROGRAM FOR STUDENTS

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I would like to direct this question to the Minister of Manpower and Immigration. Would the minister indicate to the House to what extent his department, in co-operation with the Canadian Chamber of Commerce, has succeeded in the objective of placing the half a million unemployed students in summer jobs?

Mr. Speaker: Order. The Chair has no objection to the minister replying to this very important question, but the minister might consider whether it might not be advisable to make a general statement on motions. However, I am sure hon. members would be agreeable to hearing a short statement from the minister at this time.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, my statement will be very short. It is impossible at the moment to determine the success of our program. We will be able to do that at the end of the summer, but in the meantime I will be happy to give the hon. member a statement on the steps that are being taken with respect to the summer program.

HOURS OF WORK OF STUDENTS EMPLOYED BY FEDERAL DEPARTMENTS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, I wish to direct a supplementary question to the minister. In view of the fact that some students worked in excess of 80 hours per week for federal departments last year, will this still be the policy of federal departments this year?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I would like to check into the extent of this practice if it does exist.

[*Later:*]

Mr. Scott: On a point of order, Mr. Speaker, I would be very glad to give the minister any information in this connection that he desires.

"HIRE A STUDENT" CAMPAIGN—SPECIAL PROGRAMS IN ECONOMICALLY DEPRESSED REGIONS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I would like to ask the minister whether his department will continue to support the "Hire a Student" campaign which it conducted last year?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Yes, Mr. Speaker, we are continuing it. We are working this year with the Canadian Chamber of Com-

merce which has launched a special summer hiring program as a way of encouraging employers to hire a certain percentage of summer students. We look forward to this as an important part of our total program.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to direct a supplementary question to the minister. Is his department considering any special programs to help students to find summer employment in economically depressed regions?

Mr. MacEachen: Mr. Speaker, we had reasonable success in our program last year. We are attempting to maintain the program and improve it where possible. We do not anticipate a special program along the lines mentioned by the hon. member.

LABOUR RELATIONS

ALLEGED VIOLATION BY CPR OF AGREEMENT WITH CLERKS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Labour. In view of complaints made by Mr. McGregor, vice-president of the Brotherhood of Railway and Airline Clerks, in telegrams to the Prime Minister and the Minister of Labour, to the effect that Canadian Pacific has violated its agreement with the brotherhood in ordering a reduction of 10 per cent of its work, will the minister look into this matter and make an early statement on it?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I have not seen the telegram although I am sure it has been received in my office, but normally if the CPR were to violate their collective agreement there should be some condition in the collective agreement which would protect the union against this type of unilateral action.

CONSUMER AFFAIRS

SAFE PACKAGING OF HAZARDOUS PRODUCTS

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. It has to do with his legislation on hazardous products and the symbols that have been published. In view of the fact that thousands of those who have been the victims of hazardous products could not read, is his department or the government planning any legislation with regard to the safe packaging of these products?

Inquiries of the Ministry

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, under the Hazardous Products Act the whole purpose of the symbols designed for the labelling of hazardous products is to assist those people in our society who through illiteracy or otherwise cannot read, and also to assist young children who would learn the symbols rather than the words. We are examining ways, and have power under the act, to deal with safety in packaging, which is part of a safety program including education, labelling and packaging. For example, with respect to a matter in which I know the hon. member is keenly interested, we are endeavouring to develop a safe standard for safety lids that would be waterproof so that many of these hazardous chemical substances could be properly contained.

[*Translation*]

BANK OF CANADA

INQUIRY AS TO OPENING OF BRANCH IN QUEBEC

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, in the absence of the Prime Minister and the Minister of Finance, I would like to address a question to the Acting Prime Minister.

Does the government intend opening a branch of the Bank of Canada in the province of Quebec in the near future?

An hon. Member: After the 29th?

Mr. Speaker: The question could be placed on the order paper.

[*English*]

CONSUMER AFFAIRS

RENT INCREASES FOR PERMANENT MARRIED QUARTERS ON DEFENCE BASES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would like to pose a question to the Minister of Consumer and Corporate Affairs. In his role of restraining increases in prices, what action is the minister taking with the Treasury Board to have them roll back their recent increases in rental costs of permanent married quarters on defence bases, which they authorized for April 1 of this year and which in some cases are as much as $15 per month?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, some

time ago the government announced the roll-back of a number of user fees that had been intended for imposition this year. I will take up the rental increases the hon. member mentioned with the President of the Treasury Board, but it may be that they are offset by the reduction in rents that the Minister without Portfolio responsible for housing announced the other day.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the minister. As these increases are completely unjustifiable, will the minister recommend to his colleague, the President of the Treasury Board, that there be a roll-back, with no nonsense about it?

Mr. Speaker: The hon. member, of course, is asking a question in the form of a representation, and he has to assume that it will be taken into due consideration.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask whether the Minister of Consumer and Corporate Affairs would take steps to have this increase in rent referred to the Prices and Incomes Commission to see whether that independent commission would find that the increase was justified within the policy of the commission?

Mr. Basford: Well, Mr. Speaker, I shall be delighted to discuss it, as I always do, with the President of the Treasury Board, but I think the fact that we in Canada, according to the latest available figures, have been having a better price performance than the United States, Japan or the United Kingdom is some indication that our present policies are working more successfully than theirs.

POLLUTION

PRESENCE OF MERCURY IN HOWE SOUND

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to direct this question to the Acting Prime Minister as the Minister of Fisheries and his assistant and also the Minister of Energy, Mines and Resources are absent from the House. In view of the announced closing of the Howe Sound to sport fishing because of mercury pollution, can the minister inform the House as to the source of the pollution, its extent and the measures being taken to control it?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I feel this is a question that could be directed to the minister tomorrow as well as today.

[Mr. Basford.]

AGRICULTURE

PUBLICATION OF LIST OF RECOMMENDED CHEMICALS

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct a question to the Minister of Agriculture concerning the government action in banning the use of certain chemicals which are no longer available for purchase by the industry for control purposes and the desire of Canadian agriculture and horticulture to reduce risks to a minimum. Is it the intention of the government to publicize before the growing season a list of recommended agricultural chemicals for substitute use both in fields and gardens?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not sure about the publication of a pamphlet or other type of publication but certainly when the restrictions on the number of purposes for which DDT, for example, would be licensed were determined the department was very careful to ensure that there were other products available for the purposes for which licensing was withdrawn.

UNITED NATIONS

CANADIAN ASSISTANCE TO RELIEVE UNRRA FINANCIAL CRISIS

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I have a question for the Acting Prime Minister. In view of the financial crisis which has arisen in UNRRA, the United Nations body which looks after the refugees in the Middle East, involving an amount of $4 million, would the government consider taking up a part of that crisis, even though Canada already contributes substantially to UNRRA?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, certainly I would be prepared to look into this question but as the hon. member knows I think we already carry more than our just share. Even so, I will look at the possibility of doing more.

EXTERNAL AFFAIRS

EFFECT OF ACTIVITIES OF DANISH FISHERMEN ON SURVIVAL OF ATLANTIC SALMON

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Secretary of State for External Affairs. What initiatives is the government taking with respect to the threat to the survival of the Atlantic salmon posed by Denmark's fishing

activities off Greenland, especially in view of the strong stand taken by the Prime Minister of Great Britain on this subject?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I shall take notice of this question. The Minister of Fisheries and I consult regularly about these matters. I shall consult with him about it and see what would be the most effective action we could take.

Mr. McGrath: A supplementary, Mr. Speaker. This problem has been around for some time and in view of the fact that the government of Canada has not been able to obtain agreement on this matter in the International Commission on the North Atlantic Fisheries, has the minister consulted or called in the ambassador for Denmark to discuss it?

Mr. Sharp: Not yet, Mr. Speaker.

INFORMATION CANADA

INQUIRY AS TO APPOINTMENT OF ASSISTANT DIRECTORS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Minister without Portfolio in charge of Information Canada. As a preface to the question may I suggest that perhaps the Minister without Portfolio from day to day, when the Prime Minister is not in the House, could tell us where the Prime Minister is and what he is doing on a daily basis when he does not appear here.

Some hon. Members: Oh, oh!

Mr. Nowlan: My basic question, Mr. Speaker, is whether the minister has appointed five unit directors or subdirectors of Information Canada and, if so, what their function is and were they appointed by Public Service competition?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the answer to the first question is no, but I would be glad to exchange information such as I have with the hon. member if he will keep me informed of the movements of his leader, who does not appear here as often as the Prime Minister.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I had some doubts about the preamble to the hon. member's question and I have some doubts about the preamble to the minister's answer. Perhaps he would like to limit his contribution to the second part of the hon. member's question.

Mr. Stanbury: Mr. Speaker, one good preamble deserves another, but I did say, although the hon. member may not have heard, that the answer to the second question is no.

Mr. Nowlan: Mr. Speaker, my supplementary is not a preamble. I do not quarrel too much with preambles; it is the content I quarrel with. The supplementary question—if we are going to talk about leadership we can talk about some basic things right now and why the Prime Minister is not in the House.

Mr. Speaker: Order, please. There are four minutes left before the end of the question period and I ask for the co-operation of the hon. member.

Mr. Nowlan: I certainly will co-operate, Mr. Speaker. Will the minister ensure that in future all executive appointments to Information Canada will be made on the basis of Public Service competition?

Mr. Stanbury: Yes, Mr. Speaker. That has always been clear and it remains so.

[*Later:*]

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a supplementary to the original question. Was the usual procedure followed in giving security clearance to the head of Information Canada?

Mr. Stanbury: The Prime Minister has answered that question, Mr. Speaker.

Mr. MacInnis: On a point of order, Mr. Speaker, I realize that a minister is not bound to answer a question, but if he does so he is certainly required to give a truthful answer. The fact is that the Prime Minister has not satisfactorily answered the question.

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

CANADA ELECTIONS ACT

PRINCE EDWARD ISLAND PROVINCIAL ELECTION—RESIGNATION OF CERTAIN FEDERAL RETURNING OFFICERS

Hon. Robert Stanbury (Minister without Portfolio): While I am on my feet, Mr. Speaker, may I answer a question raised by the hon. member for Hillsborough on April 20 about resignations of two returning officers

in Prince Edward Island. I have been informed by the Chief Electoral Officer that he has received and accepted the resignations of the returning officers for Egmont and Cardigan. I would appreciate, Mr. Speaker, if the hon. member could convey that information to the hon. member for Hillsborough, who is not in his seat today.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would be very pleased to convey this information to my colleague, the hon. member for Hillsborough. I might add that I shall be able to do it within an hour in this place. I have a supplementary question, Mr. Speaker. Is it the intention of the government to fill the vacancies which have been created?

Mr. Stanbury: I am sure replacements will be appointed in due course, Mr. Speaker.

INDIAN AFFAIRS

AVAILABILITY OF COQUALEETZA HOSPITAL LAUNDRY FACILITIES TO INDIANS

Mr. Frank Howard (Skeena): Mr. Speaker, yesterday I directed a question to the Minister of National Health and Welfare about the use of the laundry facilities at the Coqualeetza Hospital near Chilliwack. I had some conversation with the minister following the question period and I wonder—

Mr. Speaker: Order, please. The lighthearted exchanges on my right make it difficult for the Chair to hear the hon. member's interesting question.

Mr. Howard (Skeena): With respect, Mr. Speaker, I think the designation should have been lightheaded. I should like to ask the Minister of National Health and Welfare whether he can provide an answer to my question regarding the use of the laundry facilities at the Coqualeetza Hospital, following the conversation that he and I had after the question period yesterday?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, we did receive a telegram from Mr. Wilbur Campbell on this matter. We did indicate that we could not make a decision on the feasibility of the laundry in question until we had received the feasibility study on the entire site which we expected by the end of May; I understand now that it will not be available until June so we are talking about another six weeks. Then we will be in a position to relate the circumstances regarding the laundry to the over-all recommendations for this site.

[Mr. Stanbury.]

Mr. Howard (Skeena): Mr. Speaker—

Mr. Speaker: Order, please. I wonder whether we might not pursue the matter raised by the hon. member for Skeena tomorrow or Monday. The hon. member for Dartmouth-Halifax East.

POLLUTION

CHEDABUCTO BAY—PAYMENT OF COMPENSATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to direct a question to the Minister of Justice. To date, has the government been able to work out the procedures that those people should follow who are requesting compensation because of the oil disaster in Chedabucto Bay?

Hon. John N. Turner (Minister of Justice): No. The subject is under review by the Minister of Energy, Mines and Resources, the Minister of Transport and myself.

UNITED NATIONS

CANADIAN CONTRIBUTION TO BIRTH CONTROL FUND

Mrs. Grace MacInnis (Vancouver-Kingsway): I have a question for the Secretary of State for External Affairs. I would like to find out whether the conflict within the cabinet has yet been resolved and whether Canada has a policy with regard to contributing to the United Nations fund for—

Mr. Speaker: Order, please. I have some doubts as to the form of the question. The hon. member for Joliette.

Mrs. MacInnis: Mr. Speaker—

Mr. Speaker: Order, please. I understand the hon. member wants to rephrase the question.

Mrs. MacInnis: Yes. Mr. Speaker, I do. I ask the Secretary of State for External Affairs whether he will make an early statement on Canada's policy regarding a contribution to the United Nations fund for family planning and birth control for those nations that wish it?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. I hope consideration of this matter will be concluded soon so that I will be able to make such a statement.

[*Translation*]

INFORMATION CANADA

QUEBEC—DISSEMINATION OF INFORMATION ON FEDERALISM

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister without Portfolio responsible for Information Canada.

In view of the statement by the Minister of Regional Economic Expansion (Mr. Marchand) yesterday that the way to sell federalism to Quebecers would be through Information Canada, can the Minister without Portfolio inform the House whether Information Canada will have the task of enlightening the Canadian people on the federal system and of expounding its advantages?

Hon. Robert Stanbury (Minister without Portfolio): I hope so, Mr. Speaker. In our estimation this is not propaganda with a view to promoting federalism.

[*English*]

BUSINESS OF THE HOUSE

Mr. MacLean: On a point of order, Mr. Speaker. Will the President of the Privy Council in his capacity as House Leader give his usual statement as to the business which the government plans to place before the House for the next week?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. I thank the hon. member for the question. As the House knows, today will be the final day of the budget debate. Tomorrow the following bills will be called in this order: government order 13, Bill C-10 with regard to the Canada Shipping Act, government order 76, Bill S-14, with regard to radiation emitting devices, government order 15, the Senate amendments to Bill C-12, with regard to the International Development Research Centre.

On Monday we will call government order 84, Bill C-197, with regard to the National Farm Products Marketing Council. Tuesday will be an opposition day. On Wednesday we will call government order 53, with regard to the Joint Parliamentary Committee on Price Stability. I hope the subject for Thursday can be a matter for discussion among the House Leaders.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from Wednesday, April 15, consideration of the motion of Hon. E. J. Benson (Minister of Finance) that this House approves in general the budgetary policy of the government.

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, at paragraph 155 of the Auditor General's report to the House, one can read, and I quote:

> 155. Partial development of port which lacks prospective users, Gros Cacouna, Que.

This is all that was needed to prompt all information media to give this news front-page treatment and to have people cry shame. Never did the Gros-Cacouna project have so much adverse publicity.

Studies of the E.Q.P.B. show that in the pilot area, made up of the ten counties of the Lower St. Lawrence, about $150 million are spent yearly in subsidies of all kinds to maintain some 300,000 people in economic stagnation, but this causes no indignation. However, any attempt made with the utmost difficulty to equip the area for economic development creates a scandal simply on the strength of the opinion expressed in the report of the Auditor General.

Naturally, it is the government that foots the bill anyway whether it be that of recession, much heavier to bear and non-productive, or that of progress which often represents the tenth part of what it should be, in giving those underdeveloped areas adequate transportation means to help them in their efforts towards industrialization.

Mr. Speaker, in giving the other side of the story, I do not expect the same audience or the same publicity the report of the Auditor General received. I am handicapped from the start, because in such matters, all the facts cannot be publicly disclosed. Everyone knows that in that field there is strong competition among the harbour cities as well as among areas and provinces. Everyone knows also that when we refer to prospective users, we mean private concerns and due to the competition among the latter, their future plans are confidential. As for concerns already estab-

lished which are liable to take advantage of that means of transport since to export their products they do business with existing transport companies, they do not want to be in an unfavourable position before the construction of the port is completed and they can take full advantage of it.

We must not forget that there is at the present time at Gros-Cacouna two piers and an inner basin and that we are more or less in a vicious circle, because if there is no wharf, there can be no traffic and if there is no traffic no wharf will be built. It is like a dog trying to catch its tail.

In short, people wonder if this is a pet project of the member of Parliament for the constituency who would like to delude the Canadian government, or if the maritime traffic really justifies the construction of this wharf.

Now, the project's history and evidence given by men in public life who are aware of the needs of this place, hence who know the prospective users, and who had no interests other than those of their region to serve, prove without any doubt the real need in that area.

• (3:00 p.m.)

This vital need and evidence from experts will no doubt indicate that it is a first class site, open to navigation the year around, and market analysis will establish an enormous traffic potential. Thus, any person of good faith must conclude that never were public funds spent so wisely. What are we waiting for, then, to complete the project?

We might retell its history in the manner of old time tales: "Once upon a time...". As early as 1897, the Chamber of Commerce of Rivière-du-Loup made representations to Ottawa about the harbour. In the spring of the same year, a delegation was sent to Ottawa and they were assured that their request would be given consideration. In October of that year, Sir Wilfrid Laurier promised, at Rivière-du-Loup, to promote himself the project. Year after year, promises and studies followed one another.

In 1959, an interregional committee on waterways made up of representatives from Temiscouata, Kamouraska, Rivière-du-Loup, Edmundston, New Brunswick, the northern part of New Brunswick, Haut-Madawaska, made representations to the hon. Howard Green, then Minister of Public Works. In reply to a question put to him in the House by the hon. Lionel Chevrier, the minister said, and I quote *Hansard* for June 5:

> We all realized that the seaway would bring tremendous changes to this part of Canada, in fact, to a very large part of Canada, but I do not think any of us realized just how extensive thoses changes would be. The department has done a great deal in the way of making plans for new harbours, various other projects in the Lower St. Lawrence, but I have reached the conclusion that a great deal more will have to be done.

On September 7, 1959, which was Labour Day, the committee organized a big parade from Madawaska (Maine) to Rivière-du-Loup, gathering all the people concerned with this project and made representations concerning the establishment of port facilities at Rivière-du-Loup. Among those present were the Hon. Pierre Sévigny, the Hon. Paul Comtois, Raymond O'Hurley, Edgar Fournier, former Minister of Water Resources for New Brunswick, now a senator, Clynton Clauson, of Augusta, the new governor of Maine, senator Edouard Cyr, of Maine, and senator Jean-François Pouliot, from Rivière-du-Loup. Then, important reports were presented stating our views and the ministers, impressed by this presentation, said:

> You have convinced us of the need for a sea port in the Rivière-du-Loup area and we shall put your case in Ottawa along with your federal member.

On September 15, 1959, the hon. Raymond O'Hurley, in a speech he made in Quebec city to the delegation at the convention of the Union des Conseils de Comtés de la province de Québec, stated that the federal government was interested in the building of port facilities accessible the year round at Gros-Cacouna, near Rivière-du-Loup. Following that statement, *L'Événement-Journal* of September 16 published the following:

> The Minister of Defence Production has given to understand that the federal cabinet was highly interested in the building of a deep-sea harbour at Cacouna, near Rivière-du-Loup, that would be open the year round and that would promote the exchange of goods between the Lower St. Lawrence, New England and the State of Maine, and the central areas of North America, through the St. Lawrence seaway up to the Great Lakes...He suggested that such a project would certainly change the picture of every region in the vicinity of Rivière-du-Loup and the new harbour.

On March 29, 1960, a regional delegation made the trip to Ottawa to ask for the building of harbour facilities at Gros-Cacouna. Hon. David Walker then asked for the cost of that project to be estimated. Then, the Piette, Audy and Lepinay firm conducted a thorough

technical study on Gros-Cacouna island on behalf of the federal Department of Public Works.

On March 30, 1960, a delegation from that area appeared before and submitted briefs to the Royal McPherson Commission on Transportation, in Ottawa.

In April 1961 the Department of Public Works authorized the construction of a model in the laboratory of the National Research Council in Ottawa in order to study the movement of ice due to currents and prevailing winds, and also its possible effects on the harbour facilities at Gros-Cacouna.

On February 26, 1962 the hon. Léon Balcer, federal Minister of Transport, said that expenditures amounting to $50,000 had been approved by the Treasury Board for the construction, for study purposes, of a small-scale model of the future port facilities at Gros-Cacouna.

Governor Clauson, of the State of Maine, who was surely interested, as well as his successor, in protecting the port of Portland in Maine, stated at the 60th annual convention of insurance agents held in Rockland, Maine: As governor of the State of Maine, it is my duty, in order to safeguard the interests of the northern part of the State, to approve the building of this sea port in Gros-Cacouna. He added that the making of Rivière-du-Loup into a deep-sea port would give the people of northern Maine new opportunities for industrial development and activity.

In March 1960, his successor, governor John H. Reed, wrote to the right hon. John Diefenbaker, and I quote:

> I am most happy to approve the project of a sea port at Rivière-du-Loup because, we, in the State of Maine, have long wanted to have access to the Saint-Lawrence river, in order to take maximum advantage of the St. Lawrence seaway.
>
> The development of such a sea port will give the State an economic boost and will, I am sure, also benefit the Rivière-du-Loup region. I am very happy to support the plan and I would appreciate any consideration your government may give it.

Senator Cyr, from Maine, in his submission to the Royal Commission on Transportation, added:

> If we are to benefit from the St. Lawrence seaway, it can be done effectively and economically only through Rivière-du-Loup.

Here is another statement made to the McPherson Commission by Mr. Alphée Lévesque, of Edmundston (N.B.), then Vice-president of the Canadian Chamber of Commerce. I quote:

> As far as I know, this is the first time the people of such a large district, extending beyond south-eastern Quebec through more than one eighth of the province of New Brunswick, and the county of Aroostook in the state of Maine, have pooled their efforts to solve a number of problems common to the three regions, one of which is the problem of transportation; and, gentlemen, when I say the people of those regions, I do not mean part of the population or a group of businessmen, I mean to say that the Commission has conducted thorough studies at all levels and spoken with people from all walks of life, and I wish to make you aware that the whole population of the regions which we are representing supports this request and feels that the building of a deep water sea port at Gros-Cacouna is the only solution to our common transportation problem.

On April 19, 1962, following these representations, the right hon. Lester B. Pearson wrote to the mayor of Rivière-du-Loup—yours truly—the following letter:

> Mr. Mayor,
>
> Being aware of your great interest in the improvement of the transportation network in your region, I wish to remind you that Mr. Lionel Chevrier on behalf of the Liberal opposition raised the question time and again during the last parliamentary session. I would also like to define for you the position of the federal Liberal party on this question.
>
> The whole area served by Rivière-du-Loup is in urgent need of new deep water harbour facilities in order to facilitate communications with the North Shore of the St. Lawrence, the interior of the country and the United States via the Great Lakes, and the European continent.
>
> The Liberal party of Canada acknowledges this urgent need and will undertake not only to continue these studies but also to build these new harbour facilities within the framework of its regional development plan and to provide year-round ferry services between the shores of the St. Lawrence.
>
> I am convinced that carrying out these projects will contribute to the growth of your area about which you are so concerned.
>
> Sincerely yours,
>
> L. B. Pearson

And I could continue this list, which would be rather lengthy, because all those who know the area and who have examined these problems have reached the same conclusions. Some will say that these are so many *ad hominem* arguments. Let us see what justifies their attitude.

The port of Gros Cacouna could have four main uses, in general:

1. Through traffic or transfer point for goods.
2. Winter harbour.
3. Regional service.
4. Year-round ferry service.

• (3:10 p.m.)

I am coming to my first point, the one dealing with through traffic. Where does that use come from? Let us consider first of all the privileged situation of that sea port.

The Gros-Cacouna port is five miles east of Rivière-du-Loup, on the south shore of the St. Lawrence river, 101 miles east of Quebec, 80 miles from the Maine and New Brunswick borders across from the mouth of the Saguenay river and Tadoussac. The average depth of the water there is 100 feet and the port is ice free the year round. As we will see further, specialized studies have shown that Gros-Cacouna benefits from an exceptional geographic situation, being at the crossroads of the international shipping lines, of the railway lines connecting the Gaspé peninsula and the Maritimes as well as the Trans Canada and the Trans Gaspé highways.

It is also to be noted that it is quite free of access and that the depth of the river up to Gros-Cacouna allows the movement of ships of any tonnage. Towards the hinterland, whether it be Quebec or Montreal, the channel gets narrower, which makes navigation more difficult, specially in winter, since in some parts it is only 27 feet deep.

More and more, ships drawing 40, 50 or 60 feet of water are being built and such ships will never be able to anchor anywhere in the river with the exception of Sept-Îles, Port-Cartier and Gros-Cacouna. On the other hand, we must remember that according to the 1965 edition of Ports of the World, there are only about ten sea ports in the world where ships drawing more than 30 feet of water can drop anchor.

In 1964, 6.4 million tons out of the 10.1 million tons of freight shipped abroad, have been shipped to countries where ports are more than 39 feet deep. It would be possible to establish a regular service between Gros-Cacouna and these harbours. Here is what can be read at page 115 of the Sorès report:

The rapid increase in the number of huge ships and the trends in the composition of the world ore ship fleet show a noticeable increase in this category (fig. 19, page 114).

In eastern Canada, presently, three ports only can receive tankers (page 55, fig. 5).

And I refer again to the Sorès report:

—They are Halifax, Havre Saint-Pierre and Port-Cartier.

In other words, 54 per cent of the ships presently in operation cannot enter the harbours of eastern Canada. With a depth of 40 feet 60,000 ton vessels can be accommodated. With 50 feet of water, a harbour can handle almost any type of ships under 100,000 tons.

Equipped with a mooring station, Gros-Cacouna harbour could accommodate the largest tankers now in use (around 200,000 tons).

The construction of ships is becoming more and more specialized. For instance, lakers are being built which are able to sail through locks and are designed to navigate on inland seas. Moreover, 200,000 ton ocean liners are also being built but they cannot sail through canals and inland seas and their access to sea ports is limited to about ten in the world, and this enables such ports, mainly in the case of bulk merchandise such as grain, oil, chemical fertilizers, ore to meet certain specific needs.

Subsection 9.4.6, at page 233 of the Sorès report, reads as follows, and I quote:

Possibility for Gros-Cacouna of becoming a container terminal.

This study indicates that potential container traffic is quite promising for that port; on the other hand, the setting up of such a terminal on the St. Lawrence, east of Montreal, is quite likely in a few years; the choice of the Gros-Cacouna port at first sight seems therefore quite possible. Indeed, there is plenty of space—which is quite important for such a use—the port is easily accessible all year round and finally the existing communication network—railways and roads—puts this port scarcely a few hours away from Montreal.

For example, we could quite well see a laker loaded with grain discharge its shipment in the grain elevators at Gros-Cacouna and return to its point of departure with an ore shipment. We could also see an oceanic with an oil shipment go back loaded with grain. We could give a hundred examples, but it is important to remember that this transit operation would immediately entail considerable development and would create some employment and enable the setting up of oil refineries, grain elevators, plants for smelting and other similar operations as well as plants for the production of chemical fertilizers, liquid ground wood pulp, potato-flour, and all kinds of warehouses.

Gros-Cacouna can therefore be considered as one of the best developed ports for the shipping trade, provided, of course, it is equipped with the most modern devices, provided with barges and with all the facilities required to meet international competition. Either Quebec will develop that sea-

port which has an international part to play or it will forever miss the boat.

It is up to Quebec, through which runs the stately St. Lawrence River, to realize the importance of this project and to promote it, just as Nova Scotia is promoting the port of Halifax and New Brunswick, St. John harbour.

I come now to the importance of Gros-Cacouna as a winter port which is due to its first rate location as a transit point. Gros-Cacouna can handle all types of ships in winter. Being the furthermost inland port, it is thus the most competitive and the most capable of serving Canadian shippers who, from Moose Jaw in Saskatchewan, have as much interest in selecting both eastern and western ports for the shipping of their products.

Is it unwarranted to claim the role of winter port for Gros-Cacouna? Let us hear the unquestionable evidence of experts on that subject.

The ice conditions around Gros-Cacouna Island have been examined for a long time. Studies made by Mr. W. A. Black, of the Geographical Branch, by Mr. B. Robitaille entitled "Rapport préliminaire sur les glaces fluviales à l'Île de Cacouna", greographical study No. 10, and the study No. 24, by Mr. Michel Brochu, all reach the same conclusion. I will quote from page 68 of the study No. 24 by Mr. Michael Brochu:

> As was suggested by Mr. Benoit Robitaille in 1956, in a paper on the development of a winter port in that area, the most appropriate location for an adequate summer and winter port would be the south-western point of the Gros-Cacouna peninsula, 10 miles east of Rivière-du-Loup. An islet to the north-east of Gros-Cacouna would also provide an excellent location for a deep-water wharf that could accommodate ocean-going ships as well as coasting vessels.
>
> That islet, like the south-western point of the peninsula, has a very edgy shore, without strand and free most of the time of heavy ice concentrations, perhaps due to the powerful currents there; as was pointed out by Mr. Benoit Robitaille (1956), this is an exceptional asset for the south shore of the St. Lawrence.

It must be noted that on the south shore of the St. Lawrence, from Montreal to Gaspé, Gros-Cacouna is the only place which deserves to be selected as the best location for the establishment of a winter port.

The geographical location is unequalled and its easy access all year round is unique. Now, is traffic available.

In studies conducted in 1967 and entitled "Traffic potential of the port of Gros-Cacouna"—which studies, by the way, cost $40,000 to the taxpayers—Sorès Inc. showed clearly what goods might be shipped from that seaport and concluded that, being a winter port, 1,700,000 tons of goods could be handled, provided the required facilities were provided. First of all, a wharf, railroads and other services had to be built.

Whereas the promoters of the development of this port are aware of its tremendous possibilities for transit and winter operations, they are also conscious of its regional importance.

The people in that area need that port for their survival, for the major obstacle to the setting up of industries in our area, is its remoteness from the market and the necessity to reduce transportation costs.

As yet, the best way to reduce transportation costs is still water transportation.

Mr. Pierre Camu, now president of the St. Lawrence Seaway, and formerly director of the Laval University research department, said on page 25 of a brief on transport in the Lower St. Lawrence, and I quote:

> Retaining only 50 per cent of the pulp and lumber shipments because of the competition of the other means of transportation and port facilities, we reach a total of 585,000 tons for that area and a total potential tonnage of 1,227,000 tons.

• (3:20 p.m.)

> Minimum traffic which justifies more adequate harbour facilities. If complementary in-going or out-going traffic were added for each of these regions, the volume would easily reach 2 million tons.
>
> Rivière-du-Loup has a natural hinterland which has never been properly joined to this town on the St. Lawrence; if an adequate harbour were built in that hinterland, it would contribute to the economic growth of the adjacent region.

In his study, Sorès has reached the same conclusions. We know of the eloquent evidence given by all the leaders in this region which includes northern Maine, northern New Brunswick and the counties of Quebec, particularly the Témiscouata valley, which need this outlet towards the sea.

Perhaps it would be beside the point to list all the agricultural, commercial and industrial advantages but, in any case, there is no time.

But one example would prove the point. With this service, a pulp and paper company such as F. F. Soucy Inc. would save $7 a ton—at the rate of 100 tons a day, it would be $700—which would make the difference for a company between being a marginal industry or an economic operation.

Finally, there is a great volume of goods shipped from our region. This has been shown, not only by people of the area who submitted briefs, but also by experts whose knowledge, integrity and ojectivity cannot be doubted.

Either the necessary effort to complete the most modern harbour facilities is made or the whole present substructure, railways, roads, airports, will slowly disintegrate and the area will become forever unproductive, although it has often shown its willingness to live and do its part for the prosperity of the country.

And I now come to the fourth use to which this port can be put, that of providing ferry service the year round.

We do not claim to be the only ones responsible for establishing communications between the two shores of the St. Lawrence. In my own district, the ferry between Trois-Pistoles and Les Escoumins provides very good service and fulfills a very real need.

Nevertheless, in this field, we have a very positive part to play, which is complementary to that of others, and, for that reason, we are in an ideal position to establish year round communications between Gros-Cacouna and Tadousac. First, the distance would be shortened, because we would overcome the two natural obstacles that are the Saguenay and the St. Lawrence rivers. Because of the shorter distance, rates would be reduced, the number of trips would be increased and traffic would increase on the four-lane Trans-Canada highway, which is to be extended to Rivière-du-Loup in 1972.

Anyone having a quick look at the map can see the deep penetration of Maine into our country and the entrance into Canada from the United States which is very close to Gros-Cacouana.

These means of communication will help to promote tourism considerably in this immense country so different from any other, the beautiful country of Maria Chapdelaine, the Chicoutimi area, where the natural beauty of the St. Lawrence and the Saguenay are blended, the picturesque lakes and still virgin lands of the North shore, the incomparable attractions of the St. Lawrence valley and of the Gaspé peninsula.

It is a sea bridge essential to the balanced development of these two regions economically complementary, one with agricultural surpluses, the other highly industrialized and with no agricultural calling.

If one is not shocked upon realizing that people living 15 miles apart must, during the winter months, make a detour of 300 miles through Quebec city to meet one another, it is because one has lost all sense of responsibility, not to mention plain common sense.

Gros-Cacouna is a unique site, open all year round to navigation, with enough depth to accommodate the biggest ships in the world. We have seen that this was the unanimous desire of a wide area, of all its leaders, and that this project has been supported by top-ranking people in Canada and even outside the country, and that, according to the experts, heavy traffic is possible there.

The Acting Speaker (Mr. Béchard): Order, please. I regret to have to interrupt the hon. member, but his time has expired, unless he has the consent of the House to continue.

[*English*]

Is it the pleasure of the House to give unanimous consent to the hon. member to carry on with his remarks?

Mr. Knowles (Winnipeg North Centre): Cinq minutes.

Some hon. Members: Agreed.

[*Translation*]

Mr. Gendron: Mr. Speaker, I thank the house for its indulgence, and I shall try not to take an unfair advantage.

If short-term returns are to be the sole criteria, then we must reluctantly give forever more to developed regions and give nothing at all to under-developed areas; it seems like a high price to pay for just keeping a whole area in its impoverished state.

All the great achievements in Canada, the transcontinental railways, the St. Lawrence Seaway, did not always seem justified at first blush, and so gave rise to much criticism; still, they were carried through because some had faith in the future of Canada, and the future proved them right.

As for us, we are quite willing to have that kind of faith which can move mountains but we would like to know that this responsibility is to be shared by those whose task it is to build up this country and to provide for its orderly development. They must understand the problems facing us: the problem of involving those who will be the first to profit by it; the problem born from regional rivalries, or from the inability of the Establishment to realize the fantastic job opportunities involved in this program. We must however

be ready to pay the price for it instead of jeopardizing it through all sorts of manoeuvres.

The first project concerning the grain elevators cost the company about $1 million, out of which $375,000 went towards additional dredging, engineering and the hiring and travelling expenses of four contractors. On top of that, they started picketing the site until the company finally decided to drop the project following a struggle between unions. All the workers belonged to some union and had nothing else to gain except the possibility of choosing one union or the other.

Of course they need wharves, up to date equipment and public services which are the responsibility of the three government levels. That is why I solemnly urge everyone concerned to encourage them to help each other, so as to provide our many unemployed with jobs, for their plight is no longer acceptable in a highly industrialized country such as ours. There are many projects, but the time for consideration is now over. It is high time we should take some action and I will quote Churchill: "Give us the tools, we will finish the job".

Some hon. Members: Hear, hear.

[*English*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to refer briefly to some of the basic principles behind the budget we have before us. I shall refer to the economic prospects ahead of us and shall direct the attention of the House, and I hope the minister, to one or two aspects of the budget which I believe to be of vital importance to every Canadian citizen. First of all, I should like to extend my congratulations to the minister for having brought in a balanced budget. For years, we have been asking that government expenditures might be held in line with the government's income. The tremendous increase in the governmental debt during recent years, combined with the tremendous increase in interest rates, has resulted in a very heavy tax load for the Canadian taxpayer which is neither productive nor service rendering.

Having said that, however, what disturbs me about the budget is that it gives the impression the government has cut back its expenditures, is holding down on pressures that are exerted upon it, and has thus balanced its budget when in reality the government has had, and still has, sources of income which have placed an additional tax burden on the Canadian people for purposes other than just general revenue. I am referring to the continuation of the surtax on income, which is projected forward for yet another year. This tax hits at those taxpayers least able to bear it, those earning low wages. They are burdened unduly by this particular tax. I also refer to the social development tax which was to have been related to the cost of medicare. This tax is being collected from Canadians in some provinces where medicare has not yet been established. One of the issues in the present Quebec election campaign relates to the collection of this tax. This income intended to defray half the costs of aspects of medicare in that province as well as in other provinces has gone into the general coffers of the government.

• (3:30 p.m.)

It seems to me that collecting taxes on this basis, and for purposes which have not been implemented tends to alter the financial picture of this government. When the premier of Quebec talks about the federal government's responsibility to return $200 million to Quebec, he has some justification for his stand. The same remarks apply to the province of Ontario the residents of which paid their tax for a good part of the year before the province established its participation in medicare. The same applies to several other provinces. The government can boast about balancing its budget because, really, it has been able to literally hold up the taxpayers in certain areas of the country.

Mr. MacLean: It has indulged in larceny.

Mr. Thompson: Yes. That could even be described as larceny. Another omission of the budget and of the white paper on taxation is the necessity of co-ordinated taxing policies to cover all levels of governmental expenditure. Although the white paper was supposed to deal with tax reform, it does not even refer to this area. If the white paper had dealt with that aspect new policies would have been suggested rather than various new schemes intended just to increase the tax revenue. The white paper ought to have dealt with the over-all problem of taxation as it affects all our people and all levels of government. Unfortunately, neither this budget nor the white paper considers the over-all financial problems facing the provinces, the municipalities and cities at the present time. They are completely ignored. The government may not have realized this before, but it

ought to realize it now as a result of the brief presented by the Federation of Mayors and Municipalities several days ago.

The municipalities, cities and provinces face a very serious situation. The white paper and the budget by merely adopting a stand pat attitude to these problems, I submit is stark evidence that the government is avoiding its responsibilities. The effects of all this are cumulative, because it can be proven that the general economic and financial situation of the country is really much worse than we have been led to believe. I wish to point out that no matter whether the money collected is to be spent by the municipalities, the provinces or the federal government, it all comes out of the same taxpayer's pocket. While I commended the government for balancing the budget, but I submit that it is tragic to see that budget being balanced under false pretences particularly when vital areas of governmental activity are completely ignored. These considerations certainly alter the over-all financial picture the government seeks to present.

So, Mr. Speaker, we are in much greater difficulties than the minister's statements relating to the budget would have us believe. The government has deliberately spoken of a policy of cutting back, of holding the line with respect to expenditures. A great deal has been made about cutting back the civil service; yet, if one examines the estimates for the coming year it can be seen that instead of the civil service being decreased, there is to be a sizeable increase in its strength. The over-all picture certainly does not indicate any cut-back, and does not support the government's claims. Besides this, the increase in government expenditures has gone forward at a rate which is much greater than the rate of productivity in this country. How can the government expect the private sector, private businesses, industry and labour to hold down prices and wages as requested by the Prices and Incomes Commission when the government itself does not do what it requests of others.

Last year's increase in government expenditures over the figures relating to 1968 was 11 per cent. For this year the rate of increase has been decreased but the government will spend about 9.5 per cent more than last year; but this rate of increase is still considerably above the rate the government has asked labour and business to observe in suggested guidelines. If the government were really serious about coping with the problem of inflation, which the Minister of Finance has said is the most important problem facing us and which the Prime Minister tells us almost every week is the basic problem he faces at the present time, it would limit its increase in expenditures to 5 per cent or less over those of last year rather than 9 per cent plus. I submit that the real culprit in inflation is not increased profits, is not increased wages or salaries, although certain wage increases have been much higher than our productivity would warrant, but is instead government expenditure.

While exhorting other sectors of the economy to keep expenditures down, the government has increased its spending at a rate nearly double that which is deemed desirable for other sectors. On top of that the white paper, which is supposed to be a statement of government policy related to tax reform, offers no encouragement. Government policies, as evident from the budget, show that nothing is being done to correct the inequities in our taxation system. I submit that adjustments must be brought about which will affect not only the revenues of the federal government but those of other levels of government as well.

For instance, it is clear that nothing has been done to alleviate the condition of the poor. In these days when the cost of living is increasing ever more rapidly, those at the low end of the income scale who are the hardest hit ought to have been helped first. But the budget does nothing for those people. Instead, it loads burdens on to the middle income people. They are already carrying a heavy tax burden. If the tax load on private business is to be increased as the white paper suggests, private business may not be able to survive. Even this year many private businesses have had to or will close their doors.

• (3:40 p.m.)

Not only is this true so far as the people on the middle level of the income scale are concerned, but it also destroys the incentives necessary to explore and develop our own resources, which are our great wealth and future potential. Consequently, instead of productivity growth increasing in order to make the pie bigger so that all have a bigger share, as a result of government expenditures following the old pattern, the pie is still being cut up in different ways in order to make it seem bigger while in reality it is not. This is where we stand now, with a very dismal

prospect for the fall and winter months, combined with serious unemployment which will inevitably become more difficult as the months pass.

Just the other day the Prime Minister (Mr. Trudeau) again said that the government's basic problem is inflation. A healthy and viable economy is a prerequisite for any sound and equitable social order, or just society. The continued growth of general trade, of productivity, of good labour relations and of the general prosperity of the country are all dependent on the effective control of inflation. Thus, it is the government's foremost responsibility to deal with inflation not just by doctoring the symptoms, but by coming to grips with the causes of the symptoms. The government does not seem to have any answer for that.

We come back to the old cycle that has faced us for years. We seem to believe the cost of living can be controlled by cutting back spending, all the time forgetting that as spending is cut back production decreases and when production is decreased unemployment goes up. Then, as unemployment goes up earning power goes down and the over-all economy falters.

The problem is not one of production nor is it one of consumption. Today ours is a problem of distribution. The white paper on tax reform being directly related to this budget is based on the false assumption that inflation can be controlled by holding back expenditures. But all that is being done is forcing us into a situation which, with less earnings and less employment, is reminiscent of conditions in the thirties.

At this time, the unemployment statistics show more than 542,000 of our work force out of work. This is a greater unemployment figure than we had in 1939, 1938 and 1937, and is approximately equal to the unemployment figure in 1936. It is certainly much more than the unemployment figure in 1930 and 1931, when we considered the unemployment situation to be the worst we ever had. It can be said that our population has increased a great deal since then. That is true, but nevertheless the prospect of 7 per cent unemployment, and much higher than that in many areas of the country, leaves us facing a grim prospect for the fall and winter months. Again, I say that the real culprit has been governmental spending.

So far as the taxpayer is concerned, the tax load in Canada has increased from $6 billion to $26 billion over a period of 18 years. With $13.5 billion as the estimated expenditure for 1970, which is approximately equal to the combined expenditures of the provinces and municipalities, we find that the tax load has gone up nearly fivefold in the last 18 years, much greater than the rate of inflation so far as the cost of living is concerned and certainly much greater than the rise in the productivity of the economy.

Last year when we discussed the budget, the Minister of Finance (Mr. Benson) disregarded certain figures as being unimportant. We do not have the figures for the fiscal year just ended, 1969, but we do know that with the current rate of government spending at one level or another takes more than 45 cents out of every dollar earned by Canadians. It is my contention that this trend cannot continue.

The net national income of the Canadian people as it relates to the gross national product is something much less because the gross national product does not have a direct relationship to the actual earnings of the Canadian people, whether in dividends, commissions, salaries or from the sale of produce. Thus, while the tax load is about 35 per cent of the GNP, it is much more when compared to the national income.

In his budget speech, the Minister of Finance said that the government intended to introduce certain controls on consumer spending as a method of bringing about a more effective control over inflation. If the minister really feels that consumer credit controls, of a type similar to those used in 1950 to 1952, are necessary, why has he delayed the implementation of them? Now, we hear reports to the effect that these controls may be introduced about July 1, but we are not sure.

If the government is of the opinion that inflation is our basic problem, why does it not do something about it through its fiscal and financial policies? To stand still is not good enough. Looking at the over-all picture affecting the taxpayer, and referring just briefly to the cities of western Canada, the cost-price squeeze which faces not only the farmer but businessmen up and down all the streets of our towns and cities, and in particular those on fixed incomes, those on pensions, we see that the government has a responsibility to introduce policies to correct the situation. If the situation is not corrected it will push us into a recession just as dangerous as any that we had in the 1930's. By ignoring the situation the government is ignoring its responsibility.

• (3:50 p.m.)

There is just one more thought I would leave with the House. It relates to our development assistance program to the rest of the world. We would like to think that we have a foreign aid program which is a model that can be held up to other nations of the world. We would give the impression now that the new International Development Centre about to be established in Canada really is going to do something about our overseas responsibilities. But the unavoidable impression one receives from our present policies with regard to development assistance is that we are backing away from our responsibilities.

As the World Bank report, under the authorship of a former prime minister, Mr. Pearson, points out, unless we understand partnership in development as far as the world economy is concerned, we are in for trouble. If we do not share in that development program so urgently required today, markets are not going to be available for what we produce. Our share of the world wheat markets has dropped from 48 per cent or 49 per cent to something like 17 per cent or 18 per cent in the last five years. In the underdeveloped areas of the world that do not have the opportunity of forging ahead, we are going to have an even smaller market for export trade in all categories.

Though we are the third richest country in the world, last year we gave in aid only .49 per cent, less than one half per cent of our GNP, standing 16th out of 16 countries studied by the Organization for Economic Co-operation and Development. This, Mr. Speaker, is not adequate. How can this situation be related to the fact that we are asking for controlled inflation and at the same time a more equitable tax structure as it relates to the taxpayer. The fact is unless we are able to assure our economy of a continuing export market for our products, we are going to find ourselves in a worse situation than ever before.

It comes down to one last point, and that is the absolute necessity for monetary reform at the international level. We have supported and still take a leading part in the committee of nations set up to study this problem. Herein lies the basic problem that restricts our trading patterns and makes it difficult for the developing countries of the world to face up to the challenge of a world economy. I think that the Minister of Finance in his budget or in his white paper statement should have referred to this very important fact. It is time that the Canadian government took a lead in trying to bring about some over-all international monetary reform. To continue patching up the monetary system as we did preceding the last election campaign in 1968—the truth about that action is just now becoming public knowledge—is to bring reflection upon the growth and viability of our economy, especially as it relates to the development of our natural resources which are of vital concern to our future economy. Thus, Mr. Speaker, I hope that the government will do something better than was outlined in the budget or the white paper. The situation facing us cannot continue and it grows more serious day by day.

Mr. H. E. Stafford (Elgin): Mr. Speaker, on Sunday, April 5, 1970, the Minister of National Health and Welfare (Mr. Munro) was interviewed on the CBC program "Under Attack". During the program he was questioned by a concerned student regarding Canada's health manpower status, our reliance on foreign medical manpower to expand our health delivery personnel and our failure to build adequate medical educational facilities.

In reply to a question on educational facilities and their expansion, the minister stated the government policy was to put "a limit on the degree of expansion". His reasoning is difficult to accept in view of the facts at our disposal. He stated "I am one of those who have not really bought this story that we are that short of health personnel in this country. I think our doctor-patient ratio is somewhere between one to 950 people. It is probably one of the highest in the world; in fact, it is one of the highest in the world".

It is unfortunate that the minister takes this myopic view of medical manpower, when there are hundreds of communities in this country without physicians and others are grossly undermanned. The problem is obviously of such a nature and such proportion that the Toronto *Daily Star* of Saturday, April 11, 1970 was moved to devote over two pages and a covering editorial to decry the short supply and need for increased physician coverage. The *Daily Star* quoted situation after situation in detailing the problems in many communities.

The minister, in his telecast, quoted Canada's physician-population ratio as one in 950, whereas it is actually somewhat lower, namely one in 750. In terms of physicians per 100,000 population it is 130 physicians per 100,000 population for easier comparison

with other countries. He stated this was one of the highest in the world. It is not. This ratio is a middle ratio range compared to other nations. Russia and Israel have the best ratios, each having over 250 physicians per 100,000 population compared to Canada's 130 physicians per 100,000 population. Both these countries have twice as many available physicians per capita as Canada.

Furthermore, the Russians have a highly developed program for assistant doctors, what they call a "Feldshers" program, which provides a primary level of health care in factories and outlying areas. They have thousands of people engaged as Feldshers, besides having twice the density of physicians as Canada. It is unreasonable for the minister to suggest that Canada is in the same medical manpower league at all. Moreover, the Russians feel the desirable physician per population ratio to deliver ideal health care is 360 physicians per 100,000 population and is aiming for this by 1985. This will give them three times the available doctors per capita as Canada.

• (4:00 p.m.)

Both Dutch and English authorities have estimated the desirable physician ratio as being about 200 physicians per 100,000 population. If we accept this figure, which is much less than the Russian figure, Canada is still far from adequately populated with physicians, having only 130 physicians per 100,000 population. The whole of eastern Europe had a disastrously depleted medical population at the end of World War II and a very poor comparative rating with respect to Canada's medical manpower. Now, the situation is completely altered because they have had the foresight to see that their health care delivery system is geared to the number of available physicians and they have wisely anticipated and supplied the necessary manpower. Even these eastern European nations, which we have considered to be less developed than us, have surpassed us in medical manpower. I refer to Bulgaria, Hungary, Poland, Czechoslovakia, the U.S.S.R. as well as Italy and Greece. Even the similarly developed countries such as the United States, the United Kingdom, West Germany and France, have far better ratios being 186, 147, 193 and 154 respectively per 100,000 population as compared to Canada's physician-population ratio of 130 per 100,000. There are countries with worse ratios such as India with 22 physicians per 100,000 population and Indonesia with 1.4 per 100,000. In view of these 1969 statistics from the World Medical Association, can the minister really be "one of those who have not bought this story that we are short of health personnel in this country"?

During the same television interview another important question was raised. The minister volunteered that "more doctors than we graduate each year, immigrate to Canada". The student then asked if the health manpower in Canada was not being expanded at the expense of other developing countries. The minister admitted openly that it was, and stated this was "one of the areas where we have a brain drain in our favour". I would like to examine more closely this question which the student raised of "expanding, or maintaining, our health manpower at the expense of other developing countries".

According to the Health Manpower Inventory booklet produced by the Department of National Health and Welfare in 1969, the number of Canadian graduates from our own medical schools has increased very slightly from about 850 to 1,000 per annum over the past ten years, an increase of only 150 graduates per year. At the same time, the number of immigrant physicians, which was stable in the late 50's and early 60's at about 450 per annum, has dramatically risen, especially in the past five years, to around 1,400 new immigrant medical doctors at the present time. This represents an increase per annum of 1,000 immigrant physicians over the past ten years, while our own national output has marginally increased by 150 new medical graduates. Significantly, of these 1,400 immigrant physicians, approximately half are from developing countries. These statistics, which are taken from the Department of Health and Welfare, show unequivocally that we are the beneficiaries of the brain drain as it affects the poorer nations. Moreover, information from United Nations sources indicates Canada is one of the major international bandits of trained foreign personnel.

As well as this health and welfare document I have mentioned, I have here the most recently published and comprehensive study done by the United Nations on this very problem of the "brain drain". The title of this report of the Secretary General is "Outflow of Trained Personnel from Developing Countries". In this United Nations report, Canada's very large and increasing role as a benefactor of the brain drain is made all too clear. Furthermore, I have in front of me a copy of United Nations Resolution No. 2417, which resulted from the Secretary General's report

and which was adopted by the 1745th plenary meeting at the United Nations on December 17, 1968. Canada agreed to the adoption of this resolution.

This UN resolution deals with "Outflow of trained professional and technical personnel at all levels from the developing to the developed countries; its causes, its consequences and practical remedies for the problems resulting from it". This resolution "notes with concern" the continuing and accelerating emigration from many developing countries to a certain few developed countries, among whom Canada and the U.S.A. are the major gainers, as is also the UK and perhaps France and Germany.

This resolution further suggests there is a "need to take appropriate interim action at both the national and international levels" and it specifically recommends "that developed countries should co-operate now in taking appropriate measures, with a view to reducing the adverse effects of the outflow of trained personnel from the developing countries". From the health and welfare statistics that I have already quoted on immigrant physicians coming to Canada and the large percentage of these who are from underdeveloped countries—approximately half of the 1,400 per year—it is obvious that we are contributing actively to the brain drain as it affects the poorer nations' medical manpower. In fact, the UN report states, and I emphasize:

> In proportion to its population, Canada's intake of professionals appears to be among the largest in the world; the trend towards an increasing reliance on the skilled from developing countries is strong.

Not only is Canada the primary goal of many medical doctors from developing countries, it is also the halfway house or, as the Secretary-General's report states, "the intermediate country" in "a staged migration" to the U.S.A. from the developing nations. This fact bears up in reviewing the 450 physicians leaving Canada to immigrate to the U.S.A. in 1967—which is the last reported year—300 of these, or two-thirds, were landed immigrants to Canada and not Canadian born.

The Secretary General's report points out with approval, the United States exchange-visitor visa program which was set up by the United States government to ensure a return of training professionals to their countries of origin. These exchange visitors or "J-Visa" holders are allowed entry into the U.S.A. for a period of five years for specialized training, at the conclusion of which they are required to return to their country of origin. However, the UN report points out this program was working extremely well up to 1967, with one exception, Canada. Canada's role in this aspect of the brain drain is also looked on with disfavour in the UN report. No Canadian policy has been initiated to complement or parallel the American exchange visitor program which the UN report has commended as being a desirable developed nation program to staunch the flow from developing countries.

That there will always be a certain amount of international exchange of trained personnel is obvious and very desirable, but that it should become a river of the best educated people from the developing countries to the already developed countries of the western world is most undesirable. This flow of trained people in an accelerating migration pattern over the past 20 years is not only due to conditions in the country of origin, but directly relates to the preference provisions now contained in the new Canadian immigration laws which came into force in October, 1967; to the new American laws which became operative in 1962 and 1965; as well as those of the UK in 1962 and 1967 and those of Australia in 1965. These new immigration laws have had the desirable effect on one hand of removing "racially restrictive legal barriers" and on the other hand have extended "an implicit invitation to the professionals of the developing world by certain developed countries".

That there is more than an implicit invitation to potential underdeveloped countries' trained professionals is underlined by the report's quotation of the Canadian white paper on immigration, October, 1966, which states "Other countries are in competition with us for trained immigrants". The American Secretary of State confirmed the aggressive American policy in connection with this international banditry for educated peoples, when he said in July, 1964 "We are in the international market for brains".

• (4:10 p.m.)

May I take this opportunity to quote a few of the examples cited by the UN report as they affected only the medical manpower situation.

1. A World Health Organization Study shows 100 Cameroonian physicians practising in France, while only 47 were left in practice in the African state of Cameroons.

2. Three thousand Turkish doctors were working abroad in 1969 for whom the cost of

education of each physician was $100,000 as estimated by Dr. Payzin, Dean of Medical School, Ankara, Turkey.

3. Ten per cent of India's physicians have left for the United States, the United Kingdom and Canada mainly, while over half the government clinics in the Punjab are vacant, the physician-population ratio in the rural areas of India are as high as one in 25,000 in some areas, which is one of the world's worst ratios of physicians to population. I would hate to think what the medical services in my home town of St. Thomas would be with only one physician for the whole population of 25,000. This is exactly the situation in rural India today.

4. Fifty-one per cent of Bolivia's physician output in 1965 applied to immigrate to the United States.

5. The Dominican Republic is losing half of its medical graduates to emigration every year.

6. From the Philippines 1,158 physicians emigrated to the United States and this number represented 5.3 per cent of their national medical manpower and half of these went to the United States in 1967.

7. The United Nations report estimates that the total value in terms of cost of education alone for the professional people immigrating to the United States in the 20 years after the second world war was in excess of four billion U.S. dollars. This figure does not include anything of the estimated productivity of these trained personnel in a normal expected working span of 25 years. This value of productivity must be added to the benefit of the developed country, in excess of their zero expenditure for the education of these people.

I have cited but a few examples to illustrate the overall brainpower drain from developing countries. I have further cited statistics from our own Department of National Health and Welfare to indicate the extent to which we are dependent on a continuing inflow of trained personnel from these poorer countries to meet our annual requirement of physicians.

In the final recommendations of the Secretary General's report the following statement is made:

> Developed nations which at the present time rely on developing nations for numbers of their trained personnel should expand their training facilities and improve their internal career ladders so as to avoid heavy reliance on the human resources of developing nations. This would apply, in particular, to the medical field.

Given this specific recommendation in the Secretary General's report and realizing as we must the magnitude and inequity of this brain drain problem and bearing in mind the report's numerous references to Canada's very pregnant part in the problem, what is the national policy? I believe we see the policy taken by our government in the medical manpower field illustrated in a report prepared by the Department of National Health and Welfare. In this special report and study of the Projected Supply of Active Civilian Physicians in Canada from 1968 to 1981, we find it stated in the preamble that foreign medical graduates "now provide the majority of new physicians in Canada". Furthermore, this study draws attention to the degree of dependency which Canada at large, and each province in particular, places on the foreign medical graduate.

The study shows that unless an average excess of 588 new physicians enters this country every year during the next ten years, that is to say, in excess of our own Canadian graduates, we will not be able to maintain our present physician-population ratio of one in 740. Furthermore, by 1981, with no immigration of physicians into this country and the marginal increase in medical school graduates each year—and this increase barely keeps pace with expected population increases—the physician-population ratio will worsen to the extent of one physician per 933 population.

Because of the heavy inflow of immigrant physicians we have failed to make educational adjustments to match our medical manpower output with job demand in Canada. Thus we have exclude thousands of our own promising, deserving and qualified students from entering our medical schools because of lack of space. Statistics compiled by the Association of Canadian Medical Colleges indicate a snowballing increase in the number of applicants to Canadian medical schools in the past few years. The number of acceptable applicants now exceeds the number of available position by some 200 students. As well, the group of students labelled as marginally acceptable in the last reported year numbers 288. Together, there is a reservoir of almost 500 of our own Canadian sons and daughters who are being denied admission to medical school. To have to deny our own students access to the medical profession with its attendant social prestige, respect, satisfaction and financial security is a most unpalatable situation.

Our own nationals are being denied the right to an education in their chosen profession of medicine, for which there is an ever-increasing need, merely because the government directly or indirectly has become reliant upon foreign personnel to fill our medical manpower needs and has not increased and is not planning to increase our medical school output except to a small, marginal extent. We are directly and covertly contravening the spirit and the word of the UN report as it pertains to the brain drain of manpower, and the backlash effect in our own country is that our young college graduates are being, and will continue to be, denied a professional education in the field of medicine.

There is another aspect to this question of the medical brain drain which has not received adequate attention. This was brought to the attention of the World Medical Association by an American physician who pointed out that it is utterly inconceivable that the poor nations will continue to subsidize medically the richest nations, and that it is only a matter of time before strong efforts will be made to dam these rivers of technical skill flowing toward the developed western world. India, Turkey and Iran have already taken some positive steps in this direction and other countries will undoubtedly follow suit, as indeed they should. Because we have now become dependent on a continuing outside supply of physicians, the medical manpower shortage in Canada will assume potentially disastrous proportions should this source of medical manpower be withdrawn. The shortcomings of our medical education program will become painfully apparent.

In closing, Mr. Speaker, I can only say it is indeed unfortunate that we have become so dependent on foreign medical graduates to meet our annual manpower need in medicine and that this gain of ours is made at the very serious expense of the developing nations who have limited medical manpower to begin with. I have drawn attention to the United Nations report, its comments and recommendations with respect to this problem. I must also add that this dependency on foreign medical graduates has denied many of our own students their right to an education in medicine because we have not increased our medical school facilities so that we can be at least self-sufficient.

• (4:20 p.m.)

Finally, I have drawn attention to the potentially disastrous position in which we may find ourselves if the present supply of foreign medical graduates is no longer available. I feel this whole area of medical manpower should be reconsidered by the minister and his provincial counterparts in light of the recommendations contained in the United Nations report No. 2417 and also because of the deleterious effect that our reliance on foreign medical graduates has had on our own medical school aspirants.

It is a matter of concern to me that the university in my area, namely the University of Western Ontario, is able to accept 85 applicants only this year out of the 700 applications which were received. It is a matter of equal concern that approximately 60 per cent of new physicians entering the Canadian medical scene last year were foreign medical graduates, and that this 60 per cent is the means by which the government has planned to fill our medical manpower needs rather than educating our own citizens.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, I should like to take this opportunity of congratulating the hon. member for Elgin (Mr. Stafford) for his timely comments on a very important and current problem facing the nation in connection with staffing our medical and professional services. The other night I watched a United States program that pinpointed the fact the United States was having the same problem with regard to the scarcity of medical assistants. In Canada, we realize that if it were not for the brain drain from some of the underdeveloped countries we would have no medical help at all.

I should like to say a few words primarily about the budget, which to me is a very mediocre document. I have been here for a number of years, and usually on budget night the galleries of the House are filled and the business and economic community wait for the budget with bated breath. But the budget of 1970 caused hardly a ripple, and this at a time when there was a necessity for some government action to be taken to deal with conditions in our country which have brought about the highest taxes we have ever had, the highest interest rates, the highest unemployment level for many years, the highest wheat surplus in western Canada and the highest cost of living.

During the last election campaign we were often told that the government program was one of "no promises". This has now changed to "no action". The only redeeming factor in the budget, I feel, was the one referred to by the hon. member for Red Deer (Mr. Thomp-

son), who mentioned that the government was able to balance the budget this year. Indeed, the government was budgeting for a surplus, the first surplus in 13 years. I remember the last budget surplus. In those days, we indicated that the government seemed to think that by creating a surplus they were taking money away from the people of Canada because they did not know how to look after it themselves. One of the sops used at that time was the $6 addition to the old age security pension. The Minister of Finance (Mr. Benson) is now being given a $30 tag.

For this budget to be effective, some action should have been taken to reduce taxation. After all, taxation is an integral part of our economic structure. As the hon. member for Red Deer mentioned, the 2 per cent surcharge should have been removed. This would have increased the take-home pay of those people who are living so close to the poverty line these days. If they had an increase in their take-home pay the government would make them a little happier, but this does not seem to be in the government's program.

The budget also gave no consideration at this time to tariff adjustments. This is an area where some assistance could have been given to secondary manufacturing industry. Lots of problems are being created in the nation by low cost goods that are imported from countries with a lower cost of living and lower labour costs than Canada. If tariffs and quotas had been adjusted I suggest assistance would have been provided, economically and financially, to secondary industry. Some ministers have said that it is very important to provide cheap merchandise for consumers by importing cheap manufactured goods from other countries. How can the Canadian people buy any of this merchandise if they cannot get jobs?

The main part of my remarks this afternoon is going to deal with a problem that I think is important to all members of the House, one that was pinpointed in a press release issued on November 5. Outside of a few references to it in the newpapers, I do not think too many people in the House or across the nation paid much attention. The release has to do with applications made by the Canadian National Railways to withdraw from passenger service in 31 areas, and by Canadian Pacific Railway to withdraw from passenger service all across the nation. I sincerely hope other members of the House will take note of this action by the railways. It was brought very noticeably to my attention during the Easter recess when a hearing was held in Owen Sound.

However, before I go into the matter I should like to make reference to a piece of legislation that went into force in 1967. I believe it is the umbrella under which the railroads are applying to abandon passenger service in so many areas of Canada. I heard one member of the House refer to the law being an ass, and that somebody should get on it and ride that donkey out of this House. Looking at this particular piece of legislation, and realizing that I was both a member of the committee and of the House when the legislation was passed, I must admit that I must have been a little derelict in my duty not to have looked a little closer at the bill, because it is a bad piece of legislation.

Why, Mr. Speaker, do I say it is bad? I should like to read one paragraph from the MacPherson Commission report on which this legislation was modelled. Again, I admit that the party of which I was a member initiated the MacPherson report, but I think that this first report should have been put up on one of those dusty shelves where a lot of reports end up.

I should like to quote from page 43 of the report, the following paragraph:

> One of these effects, perhaps the most important one, is the railways' continuing need of revenues to cover deficits incurred because of the apparent inability of railway management to slough off the historical, traditional and institutional obligation to provide passenger services.

The thing that provokes me the most about this report is that it refers to the railroads of Canada doing away with the historical, traditional and contractual obligations to provide passenger services. Believe you me, Mr. Speaker, if they are allowed to do that I think it would be a very retrograde step in the history of this nation.

• (4:30 p.m.)

One of the first hearings that was held in connection with the applications made by the railways was in the County Courthouse at Owen Sound, Ontario, commencing on Tuesday, March 31, 1970, at 9.30 in the morning. That particular hearing lasted three days. This is an indication of the amount of interest there was in this hearing. Representations from municipal councils, county wardens, chambers of commerce and old age pensioners were heard. Of particular interest to me was the fact that the provinces of Alberta,

Saskatchewan, Manitoba and Ontario were also represented. In other words, this is an issue which concerns not only the small towns and municipalities; it has implications which will affect provincial governments, municipal governments and a great many people throughout this nation. So, I feel it is of the utmost importance that further consideration be given to this matter.

That was not the first such hearing to take place. The first one took place last year in Newfoundland. I should like to congratulate the members sitting in this House who represent the people of Newfoundland for the tremendous opposition they put forward in connection with the application of the Canadian National Railways to take away from them a railroad that had become traditional in their history. The fact, however, is that they were not successful.

At this second hearing, I indicated to the members of the commission who were present that the decisions they would make concerning the reduction or removal of passenger service in what we call the Bruce Peninsula area may become the yardstick to be used all across this nation. Another thing about that hearing that was frustrating to me, and to everyone who participated, was that it became evident this particular piece of legislation did not allow anybody at a hearing of that type to question the Canadian National Railways about their expenditures or their method of arriving at a decision that a certain line had created a deficit. I do not think that is fair or just. I think at such a hearing this information should be made available to everybody. That, however, is not the situation.

We were told that this question had been looked into by the Canadian Transport Commission. What information was given to us? The cost was divided into four categories. The first was headed, superintendence expense. What could be put under such a heading? How can anyone understand what is meant by superintendence expense in respect of the cost of running a railroad? The second item was traffic expense, with very little information concerning the cost of operating the line and keeping it open. This did not include information concerning the cost of operating the freight trains that were there all the time and how much additional the cost would be to keep the passenger trains on the rails. The third item was general expense. No details were given except that the category was broken down into various figures such as $37,000, $47,000 and $10,000. There were no details concerning how those figures were arrived at. This is what this piece of legislation has done.

The people who appeared at that hearing had hoped to find out how the railways lost the $480,000 they said they had lost, but no adequate information was produced. Therefore, one can understand the frustration on the part of the people who attended that hearing. We felt that it was an exercise in frustration. This is the reason I bring this matter up in the House. After all, this is the place where such matters should be aired, where opinions should be expressed and where there should be some hope that a decision would be made.

Both the Canadian National Railways and the Canadian Pacific Railway made presentations at this hearing. The CPR wished to abandon a line between Owen Sound and Toronto and the CNR wished to abandon a line between Owen Sound and Guelph. Both presentations contained the following sentence:

> The service provided by CP Rail and the competing bus operators should have no difficulty in absorbing CN's passenger traffic.

Then again, this sentence appears in both presentations:

> The passenger handlings on these trains are light and the growth potential of the travel market in this area appears limited.

The representatives of the Canadian National Railways and the Canadian Pacific Railway who were at that hearing indicated on questioning that they had never taken a survey of the potential of that area. Here we have an area which contains the Douglas Point project. This project to develop heavy water will bring in 3,000 workers with a potential of an extra 10,000 people.

Representatives of the Mid-Western Development Association attended the hearing. This association knows what is going on in the area. These representatives said that representatives of neither railway had come to them to discuss the potential in that area and the necessity to continue the railway service. So, while the railways were represented at a hearing which costs this nation a good deal of money, they did not produce sufficient figures to present their case properly. I have had many run-ins over the years with the railways relating to rail service, mail service and so on. What is frustrating is that they seem to think they can come to a community, attend a hearing and obtain a decision which

is favourable to them. I say that in a situation such as this which has nation-wide ramifications a lot more consideration should be given to it.

The MacPherson report mentioned the historic and traditional obligation in respect of the provision of passenger services in certain areas. As reported in the Palmerston *Observer,* a local councillor stated that the Canadian National Railways owes $100 million worth of services to the people in that area. The background to this statement is that in 1879, when this railroad was put into these areas, the people in the different communities provided a total of $400,000 to assist the railways in building through the area. In addition, the railway received assistance in the form of property grants and taxation reduction. This situation continued for years. They had the benefit of this money over a long period. When one thinks of the value of $400,000 away back in 1879, it would seem that this councillor was quite right when he computed that over a period of 90 years at 6 per cent the amount of money involved would be $100 million. So, as I say, I believe there is a traditional obligation. The people in many areas of Canada are concerned about these railway lines.

• (4:40 p.m.)

Oh, yes, Mr. Speaker; sometimes they say, "Why worry about the passenger service? Who uses it anyway?" But I say that in a great many areas the passenger service has been downgraded to the extent that nobody wants to use it. Certainly, a few years ago the Canadian Pacific Railway introduced its dome cars and made a great noise about its service across Canada. It attracted passengers to its service. The Canadian National, by introducing its red, white and blue fares, did a tremendous amount to attract passengers, and it gave service. I think that the traditional attitude of the railways can best be summed up if I read an article that appeared in the Ottawa *Citizen* of November 12, just three days after the original notice I hold in my hand, which came out on November 9. The Ottawa *Citizen* article is entitled, "Rail Service? The Best Way is To Go By Bus." I quote from the article as follows:

> So the CPR and CNR would like to cut their pasenger service.
>
> Have they not been doing that for the past 10 years?
>
> Take the Ottawa-Montreal local trains. CN used to run a Friday evening train at 5 p.m. to Montreal; also Sunday evening from Montreal, arriving in Ottawa at 9.30.
>
> Great service—trains crowded, standing room only.
>
> CN policy—move the train time to 4 p.m. Friday, workers cannot make it.
>
> Sunday evening have train arrive in Ottawa at 11.30 p.m. Bus service poor after 12 midnight, so more and more turn to car pools. Score for CNR.
>
> This was only the beginning. Since then local service between these two points has deteriorated so much as to be almost nil. Score again for the CNR.

So, Mr. Speaker, when the railways say they are losing more and more money year after year, whose fault is it? It is not the fault of the Canadian people, but the fault of the railways themselves.

One question I asked of both representatives there was how much research the railways had done in connection with a passenger train service that would be suitable on branch lines in areas such as I live, western Ontario, where a great proliferation of branch lines remain unused most of the time. I asked whether they had looked into the possibility of providing buses to operate on the rails, and trucks which would run on rails. Thus trucks would be taken off our highways, and highway traffic would be reduced. The buses would reduce the number of passenger cars going into our urban areas, and the result would be a reduction in pollution.

The Canadian National representative said, "Oh well, we tried that a few years ago; we had some operation like that in Quebec but it didn't amount to much." So, when I came back to Ottawa I thought I would get in touch with some of the people who are interested in building buses. I called the appropriate General Motors division in London and learned they had been doing considerable research in this field. In fact, they had come up with a unit that could travel both on the road and rails. They called it a Hy-Rail bus, or heavy duty, high-rail equipment. This system is being studied in the United States, and to prove my point I have in my possession many editorials and discussions on the subject. For instance, the Wall Street *Journal* of Monday, October 2, 1967 carries this headline, "Hy-Rail Buses Studied by Philadelphia Concern". The St. Paul *Dispatch* of Wednesday, December 6, 1967 carries this headline, "Rail-Bus Test Successful Here". Another headline says, "New Dade Bus Whistles, Clicks and Beeps". Still another says, "Rapid Transit For Us?"

There is a whole series of headlines proclaiming this type of bus, and yet Canadian National officials, when asked if there had

been any research in this country said, "Oh, we did a little bit a few years ago in Quebec, and it didn't amount to anything". I submit the editorial in the Ottawa *Citizen* of November 12 laid the case on the line. The "Canadian Railwayman" has this caption under a picture, "Riding on Air: Train of the Future?" Underneath appeared these words, "Will this be a rail car of the future?" This train will use the air cushion principle and will be a high speed link between major cities. Yet we have done no research into the possibilities of using vehicles like these on the branch lines of this nation. We could take some of the trucks off our highways and we could use rail buses to carry people from one place to another, thereby reducing the number of people on the highway, reducing pollution and reducing accident rates.

During the hearing of the Standing Committee on Transport and Communications this past week, one of the bits of information that came to us was that one 47-passenger bus, if filled, will take 22 cars off our highways. This is interesting information, especially as municipal and provincial governments are trying to find ways of moving people from one place to another as economically as possible. Yet here we have an organization coming under federal jurisdiction which is considering reducing rail passenger service, a service which will carry bulk loads of people from one place to another, and is in fact considering a complete abandonment of such service.

May I say something about cost? It is rather interesting to note that the counties of the area from which I come contain roughly 344,-254 people, so if the loss attributed to the area was $480,000, that would only amount to about $1.39 per capita. But when we look at the Canadian National report for 1968 we find that freight and express services brought the railway a revenue of pretty nearly $800 million. Considering that there were about 21 million people in Canada in 1968, this means that every individual in Canada contributed in one way or another almost $40 to the profits of Canadian National. At the same time, if you consider that the Canadian National Railways deficit in 1968 was $29 million, again, on the basis of there being 21 million people in Canada, we can see that this deficit cost the individual in this country only about $1.39. Of course, we realize that if Canadian National did not have to pay about $70 million in interest on bonds we have been carrying since Canadian National was instituted, the railway would have shown a surplus. In the very same year, Canadian Pacific Railway had a $42 million surplus. So, I cannot understand all this big cry for reducing passenger service. I hope these figures will be taken into consideration before any definite action is taken.

In the recent statement by the minister on the changes to be made in the role and structure of the federal transport portfolio there is a paragraph on page 5 which I wish to quote. It reads:

> Canadian National Railways, Air Canada and Northern Transportation Company Limited, being outside the Public Service, will continue to exercise freedom in their personnel policies, but policy issues or public interest matters will require continuing close consultation with the Minister in the light of the government's general policies.

• (4:50 p.m.)

> Administrations and authorities, largely made up of public servants, will be exposed to the normal forces of the commercial environment and will need a capability to be responsive and adaptive to changing conditions. A high degree of authority will therefore be delegated to the heads of administrations and authorities allowing them to make managerial decisions on many day to day matters but—

And this is the important thing, Mr. Speaker.

> —subject to ministerial direction on all policy issues.

So, Mr. Speaker, I feel that since this issue is vital to all of Canada, and in view of the number of hearings that have yet to take place, this particular piece of legislation that permits the reduction of rail passenger service in this nation should be amended. I feel that the minister himself must take a second look at this particular operation to ensure that railway management will not be allowed to slough off its historical, traditional and contractual obligations to provide passenger service for the nation.

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, the concern which has just been expressed by the hon. member for Wellington-Grey (Mr. Howe) about cancellation of rail passenger service is an issue that finds a great deal of sympathy in my part of the Province of Ontario, a vast region which still relies heavily on this vital link. So, I congratulate the hon. member for expressing these concerns and upon the degree of research that went into his speech.

In my contribution to this budget debate, I wish to present a few thoughts on the large and important topic of environmental control. In his budget speech the Minister of Finance (Mr. Benson) referred to certain government

policies designed to prevent or reduce the pollution of Canadian waters and air. There is a new brand of politics taking shape within our nation, and it is also evident outside our country as well. This new brand of politics has sometimes been described as the politics of ecology, and it is being given urgency by a growing public alarm over all varieties of pollution and environmental spoilage.

War protest is yielding to demonstrations against the rape of the environment. Many young people are turning away from political and economic theorists and instead are flocking to ecologists. The message is ecocide—the environment being murdered by mankind. Yesterday was designated as "E" day, "Earth Day"—history's first mass observance of the world's environmental problems. The attention and energy of millions of North Americans were focussed on fear for the well being of our planet.

One of the most significant features of the past decade in this country has been the increasing public debate about the management and use of Canada's water resources. The awakening of public concern about water problems in Canada is partly due to the increasing number and complexity of conflicts in water use. As population has grown, as industry has expanded, and as urbanization has proceeded, competition for the use of particular water supplies has intensified and has sometimes resulted in severe conflicts of interest among water users. A well known example concerns the water resources in the United States. There, Stuart Udall has pointed out that there is really no shortage of water; the problem is one of improper use, creating an apparent shortage.

Another reason for public concern about water is rooted in the increasing demand for a higher quality environment. Canadians are no longer satisfied with merely increasing their incomes; they also wish to improve the environment in which they live, work, and enjoy recreation. Increasing affluence has led to an increase in leisure time, and this in turn has given rise to growing demands for outdoor recreation. More and more pressure is being placed on governments to deal with pollution problems and to increase opportunities for outdoor recreation.

Donald Waterfield, in a recent book entitled "Continental Water Boy: The Columbia River Controversy", makes an articulate plea for balanced development of the entire culture of a river basin. This point of view will appeal to the growing number of ecologists who are warning an increasingly worried world that its very survival may depend on just such an approach. Ecological awareness on such a wide scale is a very recent development. Ten years ago the most effective criticism of such a treaty as, for example, the Columbia River Treaty was based mainly on economic and political aspects, such as the value of power and water and who would control these resources. The intangible effects on wildlife, recreation, ecology and the people directly affected were largely ignored. In today's climate, such an approach is unacceptable. Now, power authorities must go to unprecedented expense to develop integrated plans for a whole area, rather than just build a dam.

The social and ecological impact of water developments are almost impossible to predict with available current knowledge. A great deal of intensive research is required, and Canada is giving considerable leadership in this regard. Concern for the preservation of social values and natural ecological conditions has resulted in the cancellation of several major reservoir programs in the United States. Naturalists and farmers with a love for some particular valley are understandably concerned with the effects of a reservoir on vegetation, wildlife, the way of life of local residents, and the aesthetic values of their valley. The people of northwestern Ontario, surrounded by an abundance of fresh water, share these concerns, and hence we ask hard questions when engineers and hydrologists do their studies in our region. We want the assurance that other studies, sociological and ecological, are also being undertaken. The Minister of Energy, Mines and Resources (Mr. Greene) recently gave the assurance in this House that the current Northern Ontario Water Survey would be expanded to include these vital considerations.

The growing public concern about cleaning up the "human nest" is to be welcomed and encouraged. What is most needed today are new realizations about man's place in the universe, a new sense of life, a new pride in the importance of being human, and a new determination to keep this planet from becoming uninhabitable. It has been said that man, for all his brilliance, has thrown himself all the way back to his primitive condition in which his dominant problem on earth was coping with his environment. The difference between the situation today and his tribal beginnings is that the environmental threats today are of his own making. "We have met the enemy

and he is us." Pogo, the comic strip hero, originally uttered those words, but they were recently used by a spokesman in the White House Council on Environmental Quality.

● (5:00 p.m.)

Thoughtful observers have suggested that the fully sovereign nation is incapable of dealing with the poisoning of the environment. In fact, when sovereign states engage in open hostility they contribute significantly to global spoilage and destruction. Humanity needs a world order. The effective management of the planet, therefore, whether we are talking about the need to prevent war, or the need to prevent pollution, undoubtedly requires a world government. Unfortunately, we will probably exhaust ourselves in speculation over the difficulty of achieving such a government.

The first law of ecology is that everything is connected to everything else. To conclude my brief remarks, Mr. Speaker, I will refer to a fable written by Dr. Paul Barclay-Estrup, Assistant Professor of Biology at Lakehead University in the city of Thunder Bay. Dr. Barclay-Estrup writes of three lovely islands owned by a man with three sons, each of whom inherited one island. The first son had scientific training with a great respect for proven facts and logical concepts. He was known as Ecologist John. The second son, known as Businessman Bert, was a practical fellow, successful in finance and industry. He was unshakeably conservative, distrusting new theories and holding to the firm belief that More and Bigger, must always be Better. The third son, James, was a missionary, highly moral with a profound respect for life. He believed that man should interfere as little as possible with the workings of nature. To make the story more interesting, the three sons shared a genuine affection for goats.

After 35 years tending their respective islands, these were the results: Ecologist John's island retained the fresh beauty of its flowers, beaches, meadows, trees and clear lakes. The herd of goats, incidentally, was strictly limited to 500. On Businessman Bert's island, there were over 50,000 goats, all living in complete conformity in an enormous sky scraper. They were happy and healthy as long as they were given their daily supply of "happy pills". On the third island, belonging to Missionary James, the passing of 35 years had left a herd of only 200 goats, all stunted and diseased. They lived in an environment of eroded slopes and mud-filled valleys. They suffered always from malnutrition and starvation, while the original beauty of the island was destroyed forever.

Each son had done what he thought best and right. Today's narrow approach to natural science ecology, and to the economics of use of our natural resources, cannot begin to meet the need for intelligent recognition of consequences and consideration of alternatives. There is the utmost urgency to establish a national environmental awareness and a sound sociological attitude toward the total environment. We need a new cultural orientation to man's interdependence with his environment, a positive program to develop an attitude of responsibility.

It was said recently in Ottawa by the president of a prominent corporation:

> We can never tamper with the environment without triggering off consequences. Even with the most highly developed social conscience, even with the most careful exploration and testing, it will never be possible to predict or anticipate all of the possible consequences of introducing a change into our environment. We have yet to learn to be realistic about this. Our society must stop wasting its energy on recrimination and the search for scapegoats and bend all of its efforts in constructive directions.

Industry can act responsibly in its tampering with the environment—no one doubts that—but the task of government is to enact that kind of legislation which will help to ensure that good corporate citizenship is the rule rather than the exception.

Mr. Robert Simpson (Churchill): Mr. Speaker, in taking part in this debate at a time when our country is faced with such a high rate of unemployment, the highest taxes in our history, I am sure it would be of small consolation to the thousands of unemployed for me to point out that the first indication that such a high rate of unemployment may have been in the offing was and has been strenuously objected to by the official opposition. I am referring, of course, to a period when the then minister of finance and the present Secretary of State for External Affairs (Mr. Sharp) said that this government was prepared to put some slack into the economy to fight inflation.

This practice appears to have become a way of life with this government, Mr. Speaker. At the present time they are even telling the farmers not to grow wheat. I can assure them that this policy, coupled with the reduction in wheat sales, has certainly brought the western economy to a standstill. I am sure all

of us are wondering if the government is still looking for a little more slack to put into the farm economy.

Another aspect of the economic picture of Canada is the Minister of Finance (Mr. Benson) endeavouring to convince Canadians that there is no increase in the rate of tax projected for the next fiscal year. Mr. Speaker, this is utter nonsense in the light of the fact that for the next fiscal year he has forecast an unpredictable increase in the cost of living. With the inflation we are experiencing incomes will increase, so it means that many Canadians will not only be paying higher taxes but will be paying a higher rate of tax, having gotten into a high tax bracket, notwithstanding the fact that in real terms their incomes may even have declined. I do not intend to speak about the tax proposals in the government's white paper except to say "amen" if these proposals are ever implemented as presently outlined. In relation to putting slack into the economy by means of cutbacks, the inconsistency of the government's proposals is quite evident for anyone to see.

• (5:10 p.m.)

The government is talking of austerity programs across the nation. Business, labour and industry are being asked to hold the line, yet we see in the government's own little preserve an unlimited increase in expenditures. There are many things at which we can look. I have made many criticisms in this respect. I am sure that Canadians are wondering just how long this type of policy can continue. How long are Canadians going to be prepared to co-operate in holding the line when the government is spending in such a manner?

There is the matter of the expenses of the regional desks across the country. I do not have these figures on hand, but I am sure if they were examined it would be seen that a great deal of the taxpayers' money is being spent on these regional desks. We have yet to find out what value they have. In the opinion of most members of the opposition, Information Canada, which was set up recently by the government, is nothing but a propaganda institution. It will involve considerable expenditure.

With regard to ministerial staff assistants, one need only look at the increases which have occurred in the staffs of most of the ministers to realize the tremendous expenditure involved as far as this new policy of the government is concerned. Getting closer to home as far as the government is concerned, there is the outlandish increase in the staff of the Prime Minister (Mr. Trudeau). This has been mentioned in the House before. Many questions have been asked, and some have been answered. Just recently Canadians learned that the staff of the Prime Minister consists of 75 members with a total salary in the neighbourhood of $821,000 a year.

All session the opposition have been questioning the increasing size and cost of the establishment. From time to time different opposition members have asked for precise figures. Because the Prime Minister specifically exempted his staff from the cutbacks imposed on other sections of the government by the austerity program, the figures each time have differed, routinely increasing. In 1960 the cost of the staff of former Prime Minister John Diefenbaker was approximately $50,000. The cost was the same when he assumed this office in 1957. One of the first things he did was to ask for the staff establishment of former Prime Minister Louis St. Laurent. The cost of Mr. St. Laurent's staff was $50,000. The cost of Mr. Pearson's staff ran in the neighbourhood of $75,000 until near the end of his regime when there were some sharp increases. However, this is a far cry from the $821,000 annually which is now being spent by the Prime Minister to staff his office.

I wonder how long Canadians will be prepared to accept the request of the government to keep expenditures under control in an endeavour to fight inflation? I have mentioned just a few places where I feel the government is unnecessarily spending money, while at the same time asking Canadians in general to hold the line. This type of money is available. Apparently there is some good news in the announcements being made with regard to incentive grants and special area grants. I wish to make a few suggestions to the government as to where some very much needed expenditures could be made, expenditures which I am sure would greatly assist the economy in some of the underdeveloped areas.

I understand, Mr. Speaker, that many communities in northern Alberta, in northern parts of other provinces and in the Northwest Territories, are currently submitting briefs to the government through the Standing Committee on Indian Affairs and Northern Development in relation to plans for opening up that part of the country. The town of Fort Smith has submitted a brief bringing to the attention of the committee the desirability of

developing and constructing roads into many areas in the northern part of Alberta and the Northwest Territories. This particular brief points out that within 20 years the town of Fort McMurray will be a city of some 30,000 people or more and that it will be the logical service centre of the eastern Arctic. The report mentions that this town is approximately 850 miles from Baker Lake, an inland harbour on Hudson Bay, and 750 miles from Bathurst Inlet a reportedly excellent harbour on the Arctic Ocean. They put forth a very strong case. I congratulate them on their efforts and wish them the best of success. However, these facts immediately suggest to me the necessity for the provision of transportation facilities, either by highway or railway or both. Huge sums of money would be required to provide what is felt to be a very desirable outlet to the sea. One cannot deny the desirability and necessity of such measures.

I wish to point out that neither of the two proposed harbours have been developed and that development would entail huge expenditures. I suggest to the government and this House that Canada already has a northern outlet to the sea from Western Canada in a developed port at Churchill where many millions of dollars have already been spent on providing wharfage, loading and unloading equipment and a Canadian National Railways connection. These moneys were spent over a period extending from 1929 to seven years ago. The port of Churchill is the logical gateway to the Arctic.

Although the port of Churchill is serviced by a railway, it has as yet no highway linking it with the rest of North America. A highway is of vital importance to the future development of port facilities which are presently available. When I speak of a highway to Churchill, I am not speaking in terms of 750 or 800 miles, but something in the neighbourhood of 250 miles. I, therefore, appeal to the government that before any extensive planning is done with respect to opening other harbour facilities immediate action be taken to further develop and utilize the facilities at Churchill which have proven to provide savings to those who have used them.

• (5:20 p.m.)

The extension of the highway from Thompson, Manitoba to Churchill, would not only pay for itself in a few years but it would open up a unique tourist attraction in North America. Canadians, particularly residents of Manitoba, are worried because residents of Churchill are so frustrated at this time that they are requesting the relocation of the provincial boundaries so as to allow their area to be included in the Northwest Territories. As I have said to the townspeople on many occasions, it would be in very bad taste for me, as one who is not a resident of Churchill, to suggest what they should do in this respect. But it is very easy for me to understand their frustration, as it would be easy for anyone who is familiar with the situation there to do so. It is easy to understand that they should be inclined to take measures of this nature and withdraw from Manitoba. As a Manitoban, I would regret this move very much and I hope that steps can be taken in the near future through co-operation with the federal and provincial governments to make a greater use of this port. Highway construction would enable this to take place.

I have criticized the government strongly for not including Churchill as a special area under the new legislation. Everyone who visits this location realizes that if there is an area in Canada which deserves consideration under this new program it is the townsite of Churchill. Among the things which have been asked for in recent years are the following: increased wheat exports from the port; a longer shipping season; increased port development; an extension of the period covered by marine and cargo insurance; increased icebreaker assistance and additional grain galleries. All these things have been requested many times by representatives of the area and by interested groups in Saskatchewan and Alberta, as well as by officials and executives of the Hudson Bay Route Association. Most of the items I have mentioned are definitely a federal responsibility. Although the townsite is within the province of Manitoba, federal responsibility for its development has been recognized in the past as being in the neighbourhood of 75 per cent. In the last seven or eight years, however, very little, if anything, has been done. I should like to commend the government, however, on the measure which was undertaken last year to provide money for a partial sewer and water system for the townsite.

Several years ago, during an election campaign the present Minister of Public Works (Mr. Laing) was reported as saying on many occasions in Churchill that this was only a beginning, and that there would be much greater development in Churchill. Nothing has happened since then and there is no indi-

cation that anything is likely to happen. I have consistently asked the Minister of Public Works whether he had any news with regard to further developments. The answer he gave was either "no comment" or the statement that it would depend entirely on the amount of co-operation the federal government received from the government of Manitoba. It is no wonder that the people of Churchill are asking to be included in the Northwest Territories.

I believe that a key factor in achieving larger wheat exports from Churchill would be for the Wheat Board to advertise that more grain was available out of that port. The Board has always argued that exports out of Churchill have remained steady for many years because the wheat moved from the port was mainly intended for the European market, and for the British market, and that the shipping season coincided with a period in which some of those countries were in the middle of their own harvest. For these reasons, they argued, sales were of necessity limited to some 23 million bushels. It is strange, however, that each year the Board should advertise that there are some 23 million bushels of wheat to be exported from Churchill and that each year this amount is snapped up quickly by interested purchasers. I challenge the Wheat Board to advertise during the balance of this year and early next year that 30 million bushels will be available out of Churchill. If they make this well known to the grain trade I am sure the amount exported from Churchill can be increased to that figure.

• (5:30 p.m.)

I realize we are in a period of inflation and I may be asked why I would suggest that money be spent at such a time in any part of Canada. Nevertheless, I should like to draw attention to some of the mistakes which have been made in relation to the program which the government is presently operating. One of these is the special areas program. I am not criticizing this program, though the time is long overdue when the government should have initiated a program of this nature. However, when the minister announced the program on March 11, I believe it was, he mentioned the areas in Canada that would be included within the program. As far as Manitoba was concerned, he said the program related to an area around The Pas. I can assure the House that the residents of that area are gratified to know that some $2.2 million is going to be spent at The Pas. Of this $2.2 million, I understand some $1.7 million is in the form of grants and $505,000 is in the form of loans.

Most of the money is going to be spent in the centre of The Pas itself. However, I am glad to see that $500,000 will be spent in the area of The Pas reserve. I do not know, and I have been unable to find out, who determines where money is to be spent under this special areas program.

Mr. Bell: That is a good question.

Mr. Simpson: I asked the minister the question on several occasions. The first answers I got were that the government cannot determine this until the agreements have been signed by the provinces. The minister kept announcing different aspects of the program, and when I asked him which provinces had signed agreements he continued to say that no agreements had been signed as yet. I now understand that agreements have been approved. Whether or not the province of Manitoba has signed, I am not sure. But I have yet to find out who decides just where this money is going to be spent. I understand that The Pas town council, and I suppose many of the residents, are quite satisfied with the way the money has been distributed among the different projects within The Pas and the Indian reserve.

However, there are three other settlements adjacent to The Pas which apparently are being left out in the cold. These are Métis settlements. Not too long ago the government of Canada announced that it was going to embark upon a program of Métis housing in co-operation with the various provinces, again something that has been long overdue and which I congratulate the government for starting. If there is any group of people in Canada that is in dire need of housing, it is many of the Métis people who are living in small settlements.

We see at The Pas, the only area in Manitoba that has been considered under the special areas program, a situation where the town and the Indian reserve will receive grants, but three Métis settlements, the furthest one being only four miles out of town, are left out in the cold. These three settlements are Young's Point, Umpherville and Big Eddy. The odd thing is that at Young's Point five houses out of a total of 50 houses built for the Métis people in Manitoba were constructed last year to fill a long overdue need, but no sewer and water facilities have

been provided. Yet four miles away we have $2 million being spent under the federal government special projects program. It is hoped that additional houses will be built next year, though these too will not be serviced by sewers and water.

I think this situation is ridiculous. Five houses were built at the Métis settlement of Big Eddy, and again there will be no sewers or water. When representatives of these people met with the town authorities at The Pas, with the Premier of the province and others, they came away from the meeting with the answer that no provision was made for them in the special area grants. I think this sort of thing is false economy. The federal government is giving this money to the provinces. If the provinces are deciding how the money shall be spent, then I think the federal government should take a second look to make sure that their contribution is being spent economically and wisely.

This may not seem important to the House, but these three small Métis communities adjacent to The Pas are faced with a situation whereby they will have to go to the province next year and in future years to request that they be considered for the new program of Métis housing. They may be provided with a few houses in due course, but I feel money should now be made available for them under the special areas program. When new houses are built sewers and water should be supplied to enable these people to enjoy the amenities of life along with other Canadians. It is bad enough having people living in slum conditions in these areas, without having new houses built at a slow pace with no sewer and water facilities.

I have other criticisms of this special areas program, but before I refer to them I should like to congratulate the provinces of Newfoundland and New Brunswick on the agreements that have been signed with the federal government in relation to this particular project. I have mentioned that only one area of Manitoba benefits to the tune of $2.2 million. The latest information, released today, is that an agreement has been signed between the federal government and the government of New Brunswick under the special areas program covering the amount of $62 million. Again wonder whether this is further evidence of the neglect of western Canada.

I notice that the federal funds committed for the present fiscal year to March 31, 1971, comprise $22.7 million in grants and $9.8 million in loans, and the remainder of the $62 million covering work to be completed by June, 1972, consists of a ceiling for additional federal payments of $18.1 million in grants and $11.5 million in loans. The agreement covers projects in the special areas of Saint John and Moncton, together with highway construction in a number of other areas of the province.

I am sure that the people of New Brunswick will be very happy with this expenditure. As far as the $2.2 million to be spent in Manitoba is concerned, there is no stipulation to my knowledge that any of it will be spent on highway construction, which the federal government has always told me was the responsibility of the provincial government.

• (5:40 p.m.)

As I have said, for many years we have been pressing for a road to Churchill. This is a very desirable project. This could be an extension of the road from Thompson, Manitoba. I mentioned this matter during the past two sessions of Parliament. Every time I approached the federal authorities on this subject I was told that provincial roads are the responsibility of the particular province. As members know, at one time we had a very desirable program called the roads to resources program. Under this program the federal government co-operated with the provinces and provided financing in respect of roads that were necessary for the development of an area. The predecessor of this government, however, saw fit to discontinue that program. Since that time the western provinces particularly, and I suppose all provinces, have found it very difficult to even consider building the very necessary roads into their more remote northern areas.

If we are ever to develop the northern parts of our country—I am not referring only to the Northwest Territories and the Arctic area—we must have more co-operation and assistance on the part of the federal government. In respect of the special areas program I should also like to mention that an agreement has been reached between the federal government and the government of the province of Newfoundland wherein $82 million will be made available to that province under this program.

The moneys are to be spent in much the same way as they were spent in respect of the other program I mentioned. There is to be $31 million in grants and $10.2 million in loans up to March 31, 1971. The remainder of the work is to be completed by June 30, 1972,

with provision for additional federal payments of $31 million in grants and $9.4 million in loans. If the province of Manitoba could become involved in an agreement such as this, I am sure many of the requests of the communities in the northern part of the province could be met quite easily and quickly.

I am wondering whether the arguments with New Brunswick and Newfoundland are handouts to provincial Liberal governments or a carrot to Quebec voters. This government, however, for some reason or another seems bound and determined to believe there is a line somewhere in Canada running from north to south. I do not know where that line is, but anything west of it receives very little attention.

Although there are a number of other matters I wished to bring to the attention of the House at this time, suffice it to say that the program of designated areas as opposed to the program of special areas has also not worked out in respect of the northern parts of the province. The designated areas program does not extend too far into the northern part of Manitoba. Again we have a situation in which it is very difficult to induce industry to come into a northern area. Industry seems to feel that such an area is too far away from the markets. This possibly is the reason the government has not extended these designated areas too far north within the province.

I wonder whether the government's economists have worked out the figures in order to determine just how much false economy would be involved in not extending these designated areas. The government is providing incentives for industry to locate in what are now rapidly growing urban areas. Immediately there is the problem of urban redevelopment and huge expenditures in order to provide the necessary services for these rapidly growing urban centres. Yet the government feels that the more isolated areas should not qualify as designated areas because industry may not be too anxious to go there because it might consider it to be too far from markets. I believe consideration should be given to a restructuring of the designated areas program so that industry would not only be given an incentive to build in these more isolated areas but would also be given an incentive in the form of an offset against the higher transportation costs involved in getting their goods to market.

We have all heard of a program which is being eagerly and interestingly watched by Canadians. I refer to the mid-Canada corridor program which was a brainchild of Mr. Richard Rohmer. I believe the federal government should co-operate in this program to the fullest extent. I do not know what, if any, representations Mr. Rohmer or the officials of the mid-Canada corridor project have made to the federal government for assistance.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired.

Mr. Simpson: I have just one more sentence, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent to the hon. member to continue?

Some hon. Members: Agreed.

Mr. Simpson: Thank you very much, Mr. Speaker. I believe the federal government has a wonderful opportunity to approach the people who are involved in the mid-Canada corridor program because I think this is a program which will go ahead on a continuing basis. I believe the federal government should approach these people on the basis that it is prepared to co-operate financially in an effort to see that some of the Indian, Eskimo and Métis people who have the capabilities are brought into the program on a consultative basis. I say the federal government should take this initiative because I doubt whether the budget in respect of the mid-Canada corridor program at the present time would allow for the hiring of such people. If the federal government were to take on the job of hiring such people to work on this program, I think it would be a good move because then I believe the native people in the area would feel they were a part of Canada's desire to open up and develop northern Canada.

• (5:50 p.m.)

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I should like to congratulate the Minister of Finance (Mr. Benson) on the way he fulfilled his duty of delivering his budget speech.

In his speech, he expressed his concern about the problems facing our country, more especially ever rising prices. He seemed most concerned about inflation which is getting worse and worse. As many economists and businessmen had done before him, he then urged Canadians, especially those in the low-

income brackets, to spend their money wisely. He also asked provincial and municipal governments, as well as school boards, to postpone some of their projects.

Therefore, we are not the only ones who realize that the Canadian economy is having a hard time. Others had already predicted those troubles. However, when it comes to remedies, they do not dare accept them and claim, for all kinds of reasons, that they will not work out. Instead of calling upon the public on this occasion, the minister should have called upon those who control the country's economy and the officials whose responsibility it is to see that it functions properly.

In fact, who caused these problems which are now plaguing the population, that is increased prices, inflation, or what else? Would it not be more proper to call a spade a spade and just call that lack of purchasing power, lack of cash? Is it not the Canadian government which in the first place caused our present situation, that is to say the progressive rise of prices resulting to a great extent from the constant increase of interest rates and taxes over the past few years? The 11 per cent tax on building materials has contributed to, an abnormal increase of construction costs, which have indirectly eliminated any hope people in the lower-income bracket might have to eventually own their homes, a legitimate hope of all Canadian citizens.

On March 22, 1967, when the Parliament of Canada passed Bill C-222 abolishing the ceiling on interest rates, it contributed to speeding up the growth of inflation which has now been with us for several years. To justify the abolition of the ceiling on interest rates, it was claimed that leaving individuals or organizations to set their own rates would attract into Canada more capital for construction and industrial development. It was also claimed that this decision would draw more foreign capital for the development of our natural resources. Money is scarce, everyone agrees. However, there are still people asking where to look for funds and how to go about getting them.

Not more than 40 years ago, it was said that we had to have gold reserves to guarantee the currency, otherwise none would be available. Since then, we have not heard that old tune because it has been a long time since gold played any part in the domestic monetary system. It is still being used, but less and less so, to settle the operations of international trade. There again the need for changes was realized, because some thought has even been given to establishment of an accounting system to deal with international trade. New terms were found to make an impression on the people. Now we hear about gold-paper and special drawing rights.

[Mr. Rodrigue.]

There are still some people who pretend not to understand, who are offended when we ask the government to review social security allowances or to adjust them according to the cost of living index.

Moreover, the trade policy of the government has been very weak in the last few years. We accumulate surplusses in some economic sectors. Our grain and dairy products exports are decreasing and, as a result, farmers find themselves in an unfortunate financial situation.

In order to keep its foreign markets, the government must subsidize the sale of grain with public funds.

As for dairy products, the conditions are worse, because the Canadian Dairy Commission collects $1.25 per hundredweight on all non quota surplus production, which I feel is nonsense. The government policy concerning subsidies should be the same for all farm products.

Another field in which the government is delaying its decision, is that of the textile industry. In June 1969, the Minister of Industry, Trade and Commerce (Mr. Pepin) promised the labour-management associations that he would publish a white paper on that industry. Briefs have been submitted by the Canadian Textile Institute and by the CNTU but it seems that nothing happens.

In the meantime, there are more layoffs in the textile factories in Beauce, especially at Saint-Georges. Other towns in Quebec, such as Saint-Jean, Saint-Hyacinthe, Drummondville, Magog, Valleyfield, Granby, Sherbrooke and even Cornwall, Ontario, have to face greater unemployment because of the lack of understanding of the government and of its delay in establishing a realistic policy for the textile and footwear industries.

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

[*English*]

The Acting Speaker (Mr. Béchard): Is it the wish of the House that we call it six o'clock?

An hon. Member: Six o'clock.

The Acting Speaker (Mr. Béchard): It being six o'clock I do now leave the chair, to resume the same at eight o'clock.

At six o'clock the House took recess.

[*Translation*]

AFTER RECESS

The House resumed at 8 p.m.

Mr. Rodrigue: Mr. Speaker, the textile and shoe industries are not the only ones which face problems in my riding. Ready-to-wear factories are experiencing a slack partly due to the flooding of our domestic markets with goods from countries where labour is cheap.

Work stoppages, as well as rising prices and tax increases have aggravated the feeling of insecurity and distress of the textile and shoe workers.

With its programs designed to create new employment, the government falls short of compensating for lost jobs in the farm, textile and shoe sectors.

In the last few years, through publicity, the people were led to believe that industry and trade could by themselves solve the problem created by the consumers' lack of purchasing power, while the true function of industry and commerce is to provide products and services.

When products and services are available, it is up to the government to see that the people have the necessary purchasing power to buy them. Therefore, money is not performing its true function, since in order to do this, it must circulate unencumbered and according to the country's capacity to produce goods and services, the need for which can be determined scientifically. I agree on that point, but I am certainly not in favour of making it scarce so that it may be considered miraculous. I suggest that must be taken into account, first of all by the government itself.

As a matter of fact who in recent years has made capital and money scarce if not the government through its numerous borrowings? In 1968 the federal government borrowed $5,264 million as compared to $3,284 million in 1967, which is an increase of $2 billion.

Since the beginning of the 28th Parliament, the government, with its majority, has passed bills to increase interest rates on loans to farmers, fishermen, veterans and students. Are such measures going to end the problems of these people? Are they such as to restrain inflation? No. These increased interest rates will be added to the cost of products, thus pushing prices up.

When advocating something, one must at least be logical. Why deny to low income people an increase in their welfare allowances when, not so long ago, the government approved wage increases to high ranking civil servants. In this connection, I would quote a press release from the prime minister's office to the effect that the recommendations made by the advisory group will come into force as early as January 1969. The new salaries, for the three levels of deputy minister, will range from $37,000 to $40,000 for deputy ministers in the third category, from $28,000 to $33,000 for deputy ministers in the first category. The maximum salaries for these three categories of civil servants stood at $31,000, $28,750, and $26,500, respectively.

It is true that capital is scarce and that the government itself is responsible for this situation. It is not enough to realize this, we must also find solutions. There is one national institution which could play that role—the Bank of Canada. Why should it not play the part for which it was established? If the government does not want to use it, there is only one other solution, and that is to cut down government expenditures. In my opinion, the first thing to do would be to reduce the budget for national defence. It is important that the government stops playing with the public funds by launching expensive experiments and manufacturing ever deadlier weapons which will likely be obsolete before they are used and which, for all practical purposes, are nothing but scrap metal for millionaires.

[*English*]

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, first the debate on the budget gives us an opportunity to look at the types of programs the government of Canada is offering the people of this country, and second it gives us an opportunity as individual Members of Parliament to offer alternatives to these programs that we think will be improvements on them. I see that the hon. member for Esquimalt-Saanich (Mr. Anderson) agrees with me thus far.

The budget outlines the government's priorities for its different policies and programs. It gives an idea of the basic direction in which the government is moving, and it gives a good outline of the types of ideas that the government thinks are best in order to solve the problems with which we are faced.

The Budget—Mr. Nystrom

• (8:10 p.m.)

The budget debate and the Speech from the Throne give members of Parliament an opportunity to ask important questions about the direction in which Canada is going. They give us a chance to look at our place in society, assess our values and decide our role in the world community as well as the closer question of the role of Parliament itself.

I came across many answers to these important questions whilst travelling throughout Saskatchewan during the last few weeks. People are frustrated with the way things are going in Canada, particularly on the problems of unemployment and poverty, and farmers who are being asked to take wheatland out of production are incensed.

Looking around the world we see that humanity has the potential to destroy itself through nuclear weapons, through pollution or even through overpopulation. We live in a world guided by international anarchy. More and more people are being alienated from the institution of Parliament. They are dissatisfied with its performance and are looking for alternatives.

I should like to deal with a number of things which I mentioned at the outset, Mr. Speaker. Firstly, people from all regions of this country should have a greater opportunity to derive the benefits of citizenship. Instead of waging war on poverty, the government is waging war on the poor. In their fight against inflation they have created unemployment, raised interest rates and have generally made things more difficult for the poor people and many average citizens of this country. Unemployment is now higher than it has been for a number of years. The figures for March show that 6.7 per cent of the Canadian work force is unemployed, representing 542,000 men and women. Many of these people have families to support, making this a very serious problem. I should like to compare the year 1967 with 1970. In March, 1967, 5.3 per cent of the work force was unemployed whilst today the figure is 6.7 per cent, a substantial increase.

The regional unemployment picture shows that in the Maritimes in 1967 unemployment was 10.6 per cent, and today the figure is 10.8 per cent. The 1967 figure for the province of Quebec was 7.2 per cent, and today it is 9.2 per cent. These figures may indicate one of the reasons why many people in Quebec are frustrated with the federal system and the type of programs offered to them. Even in industrialized Ontario the 1967 unemployment figure was 3.9 per cent, and today it is 4.6 per cent. In the Prairie provinces the figures show the region to be severely affected. In 1967 only 2.7 per cent of the work force was unemployed, but today the figure is 5.2 per cent.

Just the other day in this House the Prime Minister (Mr. Trudeau) was telling us that unemployment was not too severe. He used some seasonally adjusted figures to show that unemployment had decreased in some areas. But in March, 1967, the seasonally adjusted unemployment figure was 3.9 per cent of the work force of Canada, and last month, March, it was 5.1 per cent. This is a serious increase.

Considered in terms of the actual number of people out of work, the situation becomes rather startling. In the province of Quebec in October, 1969, 135,000 people were unemployed. In December the figure increased to 152,000 people and on March 21, 1970, the total was 206,000 people unemployed. When we break down the unemployment figure to see who is being affected, we find that unemployment is higher among people between the ages of 14 and 24 years of age. Out of a total of 540,000 unemployed, 216,000 people are between the ages of 14 and 24.

This clearly points out that the retraining facilities, the schools and the programs offered to people in this age group are not adequate. We must remember, too, that many in this group will drop out and not be seeking employment after a year or so, having gravitated to one of the subcultures prevalent in city life and thus not calculated in the statistics. Another factor is that in the month of April tens of thousands of university students and some graduate students will be seeking summer employment. They will face difficulties, particularly in the Maritime provinces, rural Quebec, Saskatchewan and Manitoba, because of the agricultural recession, unless they are willing to go outside their own province.

Another grave factor that we must face up to soon is the whole question of poverty in the country. This has been pointed out clearly and vividly by the Economic Council of Canada, which stated that 20 per cent of the population is living in poverty and another 20 per cent is living on the edge of poverty or at a subsistence level. What does this mean to the country, Mr. Speaker? First of all, it means lack of opportunity for better education and a better life. Poverty has many social and psychological effects and society is deprived of the contribution that could be made by these people if they were in better circumstances.

The cost to the country could be hundreds of millions of dollars each year because we are not doing as much as we should about poverty.

• (8:20 p.m.)

The poor people in this country are not only those who are unemployed or who because of some misfortune are on welfare. There are many workers in the cities and many farmers living on a subsistence or poverty wage. These people are living in this condition because they do not have the types of opportunities they should have. Yet three or four months ago the Minister of Finance (Mr. Benson) said these Canadians can live on $30 a week. It so happens, Mr. Speaker, that thousands of Canadians are living on less than $30 a week. The minister is not, nor are any other people in the government. However, many old age pensioners are living in conditions that are a disgrace.

Many of the people who laid the foundations and built this country are now being forced to live on incomes that are not equal to a subsistence wage or worse. This must be changed as quickly as possible. These people are being penalized by the government. The government is waging a war against the poor people of this country by putting a freeze on increases in pensions, by creating unemployment and higher interest rates as well as encouraging a wage freeze for the working people. These are just a few of the matters that are contributing to what I call a war against the poor.

The Prime Minister has told the old age pensioners that they cannot have an increase in their pensions because if they did they would not be joining the rest of the country in fighting inflation; they would be contributing to inflation in this country. This is what the Prime Minister said the day before he acquired a few extra people for his staff and before he went scuba-diving in the Caribbean. The people of the country are not going to accept this situation. There are basic contradictions in this policy which we must change as rapidly as possible because Canadians will not tolerate the government having values of this sort.

We have to grapple with many issues, one of which is the whole question of inflation. Inflation is bad in this country, but the cure for inflation that this government is proposing is even worse than the disease. It is widening the gap between the rich and the poor and widening regional and economic disparities in Canada. When the noted American economist John Kenneth Galbraith visited Ottawa last year, someone asked him what he thought of using the voluntary restraint method to fight inflation. He said, "You are not going to successfully fight inflation in this way. If you think you can, you are only fooling yourself; it is only nonsense." The Quebec Liberal leader, Robert Bourassa, is saying the same thing about the Liberal Party's policy to fight inflation.

To try to control inflation by voluntary restraint will not work. One reason is that there will be only limited co-operation from the Canadian public and corporations. Many small businessmen, farmers and other people in this country cannot afford to borrow money at high interest rates in order to expand their operations. These people are penalized because of this type of fight against inflation. The poor people will sink even further into poverty. Meanwhile the huge corporations, most of which are to blame in large part for the inflationary crisis, will be able to expand even faster than before. High interest rates do not affect them. They just reinvest their profits and go further and further ahead, faster than before. I am referring to companies such as General Motors, and Weston's and Safeways.

If we look at the profit figures of these corporations for the last year we see that they increased; in fact, they increased at a much faster rate than the average wage or pension of the old age citizens of this country. This type of approach only widens the economic gap: all the economic evidence points to this. Most economic experts, except some on the government side, are saying this as well. We have to change this approach because obviously it is not working.

If we are to control inflation, we have to get tougher. We have to instigate certain controls. We hate to go as far as instigating wage, profit and price controls in a centralized way. This must be coupled with economic planning which will benefit all Canadians, not just the privileged few. The important point to note is that most of the inflation in Canada is a direct result of the inflation in the United States. This has been said by the Prime Minister. The Prime Minister has said that the effect in fighting inflation will be very minute because most of our inflation problems in Canada are a result of what is happening in the United States. A large portion of the inflation in the United States is as a result of the war in Viet Nam. This war

must end, for many reasons. If we are to have control over our economy and the type of priorities we want to set, it is obvious that we must repatriate our economy; we must control our own economy and our country.

I now wish to deal with the question of foreign ownership, which is a problem that this government has not yet faced. I realize the government is now going through the process of preparing a study or white paper on the question of foreign ownership. I hope this will be done as expeditiously as possible. We must face this important question immediately, otherwise it will be beyond our control. Canada is one of the few countries in the western world, if not the only country, that opens her doors to any country without limits and without any set of rules.

Today approximately two-thirds of our Canadian economy is foreign owned, mostly by corporations with headquarters in the United States. Of our manufacturing industry, 50 per cent is owned and controlled by the United States or by US corporations. Nearly 100 per cent of our automobile industry is owned or controlled by U.S. corporations. In the fields of mining, petroleum, natural gas and things of that sort American ownership is as high as 60 to 80 per cent. This is having many effects on Canada. It is eroding our political sovereignty and our ability to make decisions that affect the policies of Canada. It also has an effect on Canada's foreign policy. We have less and less influence and power abroad. We must start changing this situation immediately. There must be some kind of control or regulation on foreign investment in Canada. This is the only country in the western world that allows foreign ownership to come into our house and completely take over. It is something like the old tribal tradition in Africa years ago: when you met a friend you had not seen for a while, you invited him to dinner in your home and then let him spend the night with your wife. That is what is happening in Canada to-day with regard to foreign capital.

We are not doing all that we must in order to change Canadian society economically and socially. We must also reform our monetary and fiscal policies. There must be more social and economic planning. I also suggest in order to have more people on an equal basis we must not be afraid to have more public participation, involvement in and public ownership of the Canadian economy. These are only some of the things we must be doing in the area of foreign ownership if we are to take control of Canada's economy. We must tackle the very important issues which concern us each and every day.

There are a number of other matters with which I want to deal. Coming from the province of Saskatchewan, I must deal with the question of agriculture. Anyone who has travelled in western Canada or has spent some time on the Prairies knows that wheat farmers are facing a real problem. I do not have the figures immediately available, but I believe farm income fell by some 40 per cent in 1969 as compared with 1968, and that the income in 1968 was less than it had been a year previously. This situation affects not only farmers but the small businessman, the machine implement dealers and suppliers in every small town.

• (8:30 p.m.)

It also affects the working people. The average weekly wage has declined in the last few years; people have been getting out of the province. Unemployment rates are higher than they have been for many years and large numbers of working people have left for British Columbia or Ontario. Between April and October of last year some 1,800 people were moving out of Saskatchewan every month. This gives a clear picture of the economic circumstances which the province is facing. Saskatchewan does need help. The agricultural industry needs help. It needs an immediate injection of cash if some of the smaller farms and, indeed, some of the bigger farms are to be saved. If many farmers are to be saved from bankruptcy, $250 million is immediately needed.

The government should impose a moratorium on debts such as those of the Farm Credit Corporation. Many farmers will not be able to repay the debts they have accumulated over the past few years because failure to sell grain has left them without money. We must begin a new program designed to sell wheat, a new program of trade. These are a few of the things we should be doing in order to give the people of the Prairies a fair break.

In the election campaign of 1968 the Prime Minister campaigned on two main issues. One was the whole question of national unity and the other was the lessening of regional economic disparity. He campaigned on these issues and won the election largely because of his stand with regard to them. What has happened is ironic. It seems to me, looking across the country, that no Prime Minister has done more—

Mr. Cafik: You are right.

Mr. Nystrom: —to contribute to disunity in two years than has this Prime Minister.

An hon. Member: Right again.

Mr. Nystrom: The work of the B and B Commission is important. I am one of those who are going through the process of attempting to learn the French language. I wish more MP's would do so. But we are only fooling ourselves if we think that bilingualism and biculturalism alone will keep Canada together. They will not. They will not keep Quebec in Confederation; they will not keep the people of western Canada happy.

To keep Canada together as a nation we need social and economic reform—measures which will bring equal opportunity to everyone in this nation. A person living in the maritimes or in rural Quebec should have as good an opportunity as one living in Vancouver, Montreal or Toronto. All regions will have to be equal partners in Confederation if this country is to continue as one union until its 200th birthday. To find out whether or not the government's regional economic policies are working, all one has to do is travel about the country. They are not. This is one cause of the rising tide of separatism in Quebec. People are upset because unemployment has risen to 10 per cent and is still increasing. The federal government is showing no leadership.

Quebec is not the only province which is unhappy and alienated. Go out on the Prairies from farm to farm, from small town to small town. You will find widespread discontent. People are asking: Why has Ottawa forgotten about us? Why is the man who proclaimed national unity, a new approach in politics and a new deal bringing about unemployment on a scale we have not known in this country for so long? This is the threat to national unity. When people are desperate they will seek alternatives, any alternatives. They are ready to try almost anything because, they argue, nothing could be worse than the conditions they are facing.

This is where Parliament ought to come into the picture. I believe we ought to be more relevant to the issues confronting the people of Canada. We must chart a new course, get out where the people are and concern ourselves with the things the people are talking about and doing. If we fail, they will seek alternative arrangements and alternative means of solving their problems. Right here is the challenge confronting each and every one of us.

As a Parliament and as a nation we must examine our role in the international community. Canada is respected as a middle power and could probably be doing much more to lead the world toward a more stable international community. We ought to be reviewing our foreign policy, and moving as rapidly as possible toward such things as the recognition of communist China, supporting its claim to representation at the United Nations. We should strengthen the United Nations and work to make it a more meaningful international body, one with some measure of sovereignty and capacity to act.

We must do all these things quickly, because people today will not wait. They know we have the resources, that we have a rich country with an advanced technology. They are asking why, in these circumstances, 20 per cent of our people should be living in poverty. Why does unemployment have to be at such a high level? People are asking these questions, and we must move faster to find the answers if we want to keep this country together. I hope the government remembers this, no matter what happens in the Quebec election next Wednesday.

Mr. Judd Buchanan (London West): Mr. Speaker, my comments are somewhat in the nature of a pot-pourri, as there are several subjects on which I should like to make brief remarks. The first relates directly to the contents of the budget which we are discussing. I was most disappointed that some additional provision was not made for our needy senior citizens. In my remarks on the budget in the fall of 1968 I urged that the government give serious consideration to discontinuing the payment of the family allowances on the first and only child in each family and, instead, use the funds saved by this change to double the guaranteed income supplement which we pay to needy senior citizens.

This would ensure that all Canadians over the age of 65 would receive a minimum income of approximately $150 per month if single, or $300 per month if married. I would suggest that this is the minimum income needed for survival in today's society at any decent level. I believe strongly that we have a very great obligation to these senior citizens who worked and built this country throughout the depression years and the war years which followed, when pension plans were virtually unknown.

We are not rewarding our senior citizens properly for the services they have performed for Canada. I realize that we are all anticipating some changes in this area after the introduction of the government's white paper on social policy, but it might well be a year or more before we see any substantive legislation flowing from that document. Someone remarked the other day that inflation is a tax, and one which bears most heavily on those who can least afford it, our senior citizens. I feel strongly that we should be doing something to assist these people now, not a year and a half or two years from now.

• (8:40 p.m.)

Like many of my colleagues, I am looking forward to seeing the government's white paper on social policy. Like many, I share a feeling of malaise in that although we are spending billions of dollars to provide for the health and welfare of Canadians we are not, in all too many cases, really giving adequate assistance to those most in need of it. Because of the universal nature of so many of our programs, too much provision is made for those who really do not genuinely need it, and those who are in need are inadequately provided for.

I recently finished reading Ian Adam's "The Poverty Wall", and any concerned Canadian cannot help being depressed by the deprivation and grinding poverty in which five to six million Canadians live while the rest of us enjoy relative affluence. I would recommend this book to all members of this chamber to assist us in gaining a better perspective of the society in which we live. The stereotype of the welfare recipient is a healthy male, sprawled in an easy chair before a flickering television set and fondling a bottle of beer bought with his welfare money.

Mr. Benjamin: Like some of your constituents.

Mr. Buchanan: Maybe they are yours. It is this sort of stereotype, Mr. Speaker, which I believe has given too many Canadians a distorted view of the society in which we live.

The May-June issue of *Canadian Welfare* carried a study which had been carried out by Professor Steven Peitchinis at the University of Calgary. Even in the prosperous province of Alberta there were approximately 94,000 persons receiving some form of social assistance at the time of the study. In the area of Calgary, where the study concentrated, there were just under 19,000. Professor Peitchinis' profile of that group is revealing and it confirms what many social workers have been saying all along.

Why were these people dependent on welfare? Almost half, 45 per cent, were ill, incapacitated or unable to work because of age. Sole parents with children dependent on their care comprised 40 per cent of the sample. In the first draft of this study "sole" parents was spelled "soul"! However, it was corrected in the later version. The employed whose earnings were inadequate took up 10 per cent. Finally, those able to work but temporarily out of work for any reason numbered 10 per cent. This latter category includes those willing to work, at least temporarily, but unable to find a job. These findings would certainly seem to contradict the traditional image of those in receipt of social assistance.

Another area upon which I would like to comment concerns student loans. Loans are now provided for full-time students. Part-time students are denied these loans. Often part-time college students live in more genuine need than do full-time students. Frequently they are older than most of their colleagues, and they are almost never supported by wealthy families; indeed, that is why they are securing their degrees the hard way. Although they work to maintain themselves in school, many part-time students make only enough money to pay taxes and to support a wife and family but not enough to pay for tuition and books. They are classic examples of people reaching for betterment through higher education yet they are, if anything, discouraged from continuing studies that often take a decade to complete.

These are among the more enterprising members of our society. The government replies to their industry by ruling them ineligible for student awards. Frequently if sufficient funds were available the average, part-time student would accelerate his or her program to a full-time status. I would urge, Mr. Speaker, that the government look at this legislation and endeavour to make loan facilities available for the part-time student who is struggling to improve his condition as well as for the full-time student.

Almost one month ago the Minister of National Health and Welfare (Mr. Munro) presented his proposed sports policy for Canadians in this House. That paper has my fullest support. This program may well reach millions of Canadians in more tangible ways than most government concepts do. Clearly

the key to success of the sports policy will be money. The policy paper points out on page 44 that "we have a number of new projects to finance, and our budget level is the same as it has been for several years now." It was my suggestion in this House in November, 1968, that contributions to amateur sport be brought within the definition of charitable donation and made tax deductible. I urged that the appropriate section of the Income Tax Act be altered as quickly as possible. Much to my amazement, it was not done.

I am, however, gratified to learn that the proposed sports policy attaches a priority to this proposal, and that the federal departments involved are being consulted about "the formulation of an additional charitable tax deduction clause for donations towards a furtherance of sport and recreation in Canada." I believe that granting tax relief on donations to sport will spur contributions to individual sports groups and will enable sports in Canada to focus its limited resources more effectively. I would urge that the charitable deductibility clauses not be as restrictive as is suggested in the white paper on tax reform, which proposes that national amateur athletic associations only be added to the list of eligible charitable organizations. I believe that many local organizations are deserving of the same treatment and support.

A perceptive individual remarked that man is a peculiarly constructed animal who cannot read the handwriting on the wall until he has his back to it. That is precisely the position in which man finds himself today with the world population explosion. We live on a smallish planet with a strictly limited supply of everything, including air, water and places in which to dump sewage. There is no conceivable way in which it can be made bigger. Yet we are adding 180,000 people to the globe's humanity each and every day. We are now at more than three billion, and within 30 years it is estimated that we will have over seven billion people on the face of this earth. The figures into the twenty-first century are staggering. However, they are academic since this gross overcrowding will not come about; it will be solved by mass starvation, war or family planning. Hopefully, thoughtful, concerned humans will opt for the third alternative.

I realize this is a difficult area for many people from the point of view of conscience, but I would like to urge a couple of minimal steps. The first involves research only. Canada could perform unique service to international research in population control and family planning, a field which has not been thoroughly explored. This should be a top priority item on the agenda of our new International Development Research Centre.

The second method in which Canada could assist is by providing money for the existing multilateral funds—the International Planned Parenthood Federation and the United Nations Fund for Population Activities. These are not organizations which try and foist family planning on anyone or any nation. They are responsive in nature; they meet requests from countries which seek their assistance—developing countries which are becoming more and more alarmed as they see minimal economic progress vanishing under the impact of burgeoning populations. I would strongly urge on our government action in these two areas. I am afraid that if we do not, by default we will have to share the responsibility for uncontrolled population growth which will impair individual rights, jeopardize national goals throughout the world and threaten international stability.

In conclusion, Mr. Speaker, I would urge that our government take immediate steps to increase the guaranteed income supplement for senior Canadians and, if required, make adjustments in the present family allowance payments to compensate for this outlay. I believe that the act and regulations providing loans to university students should be amended to permit needy part-time students to receive assistance as well. We should allow donations to organizations sponsoring amateur sport to be tax deductible. I am convinced that they have as legitimate a claim to tax deductibility as some of the organizations and groups which currently enjoy this status.

• (8:50 p.m.)

In addition, it is my understanding that recent studies have indicated young people who are actively involved in sports are far less likely to become involved with drugs and drug addiction. By encouraging the financing of amateur sports we would not only be improving the health of Canadians but would be helping to solve another major problem facing our country. Finally—and this is significant for the long-run survival of mankind—I would urge that the government take immediately the minimal steps I discussed earlier to assist the International Development Research Centre and the UN organizations involved with population research and planning.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, after a period of two years in which this government has been in office it would seem it is time we looked at ourselves in Canada to decide where we are going and where we are at, as some people say. It seems to me that society in Canada can no longer be accurately called the just society, but rather the controlled society. While I have heard some people refer to the present government as being comparable with the government of Louis XIV of France, I could not possibly agree with this because, authoritarian as that government might have been, at least it did accomplish something for the European continent. I would much rather compare the government with that of Louis XV, because the antics of some of the members of this government much more resemble the age of Louis XV in which very little was accomplished other than a great deal of travel and pleasure.

It is very evident that the government seems to have some sort of scheme or plan, as is sometimes said, about what is to be done with our society and our country, while very little attention seems to be paid to the increasing cost of living with its consequent hardship on those with fixed incomes and while very little is done to deal with our financial and other problems except an attempt to cause panic and confusion by the so-called proposals in the white paper and the consequent drawing in of the horns of all business oraganizations.

Nevertheless, the government found plenty of time to present legislation in the last two years, some of which unfortunately has been passed by this House, which had little to do with the urgent critical problems but which had something to do with some more distant and perhaps not so distant schemes. I refer to the attempt by this government to put the lid on all criticism of the government whether in this House or outside it. After all, it is an attempt to perpetuate itself in office.

I have often heard the party which forms this government characterized as the three "p's"—power, patronage and perpetuity. It is the last of these three adjectives with which I wish to deal this evening. I should like to refer to the debate held in this House last Tuesday in which we dealt with the attempt by two senior ministers of the government to muzzle the Auditor General. This, of course, is a culmination of the government's efforts to muzzle Parliament and suppress criticism outside Parliament.

[Mr. Buchanan.]

The first and most effective step in this regard when the present government came into office was to remove from this House control over government spending. After all, this was the original object of Parliament from the time of King John. In those days Parliament was designed to check the king's power to raise money and to have some say concerning how he spent it. This power was removed from this House over a year ago. Normally in this House we had the right to speak on the spending estimates of the government. These estimates have now all been removed to the committees on the pretext that they will receive more detailed study there.

We know what has happened. With so many committees meeting, the press—which of course is the opposition's only weapon—is unable to distribute itself around sufficiently to cover the discussion of the estimates. The approach of this government was to say that we can discuss the spending proposals and policies as much as we like, but that we must be finished by late May and if we have not finished by then we have no power to do anything about it. In the days prior to the introduction of these rules the opposition, in an emergency, had some control over the government through the discussion of the estimates and supplementary estimates because the procedure of closure for all practical purposes was unworkable. Therefore, the opposition had some control. That, however, no longer is the case.

As the Prime Minister (Mr. Trudeau) said at that time, they baited the trap and the opposition fell for it. I must admit that the Prime Minister was very right, because, a smokescreen having been raised in respect of the so-called rule 75C, the real danger was slipped through the House in the form of the removal of the control over government spending. That was the first stop. A number of things have happened since then. We had the hate bill. No one will quarrel with the first part of this bill in respect of genocide, and we need not discuss the second part. The third section resembles the procedure of the Torquemada in the days of the Spanish Inquisition. I refer, of course, to the fact that if someone should think you might have some political propaganda at election time, they could go to a judge and present a statutory declaration in respect of hate propaganda, a warrant to seize the literature would be issued and then seven days later you would

have a right to defend yourself. If this does not resemble sixteenth century Spain, I do not know what does.

Then we have Information Canada. This is the next step. It is a new step. It is said that this is being done in order to save money by avoiding the duplication involved in various departments putting out information concerning what the government is doing. It all sounds lovely, sort of Pollyanna. Then what do we find? We find that Jean-Louis Gagnon, who according to "Who's Who" is a former head of the Liberal propaganda agency in the province of Quebec, is in charge. One can hardly blame people for being a little suspicious of this agency under the circumstances.

Then we have the new CRTC regulations concerning Canadian content. It is like being against motherhood, or something, to be against this. It sounds lovely. But it is only necessary to look at it a little to see what happens.

Mr. Cafik: What do you know about motherhood?

Mr. Nesbitt: Suppose a small radio station should be on the borderline in respect of Canadian content. Then the Gestapo, if we want to put it that way, or the CRTC could go to this station and say, "You are coming up for a new licence in a few months. You are pretty close to the line, but we have a number of clips or tapes from Information Canada, and if you want to get in good with the board you can play these government information clips; that is how you can get along". This is the situation.

Any one of these things by themselves might be fairly bad, but one could probably live with them. However, when they are put together it is not difficult to imagine what the result can be. The scheme of government control over information does not end there. We have Bill C-197 which will be up for discussion again. This is an agricultural bill. It is a nice thing. It sounds lovely on the surface. It would appear that the farmers are to control marketing as has been done so successfully in the provinces. Many people think that is what this is all about. But what is the situation? Here we are to have boards, not composed of people elected by the producers but of people appointed by the cabinet. That is the situation. The cabinet will decide everything that happens from the day the seed is planted until it is grown. The agricultural producers have no say whatsoever. It sounds something similar to what Khrushchev did in the Ukraine back in the 1920's. That is how it is.

• (9:00 p.m.)

There are other things one could refer to, to show what has been flagrantly done to control or interfere with the politics of the provinces. We have two faltering governments in two provinces governed by provincial Liberal governments; one is Newfoundland under the leadership of Mr. Smallwood, and the other New Brunswick; and today we heard the announcement that $62 million would go to New Brunswick, to help out, and $82 million to Newfoundland. Of course, that is very helpful to those governments which are in some trouble, as I understand they are, but it is hardly fair to the people of western Canada who are in pretty desperate straits these days. The government just seems to hold out no hope to western Canadians.

An hon. Member: How about the heavy water plant?

Mr. Nesbitt: I do not know why this should cause anybody much surprise, Mr. Speaker, because the present Prime Minister arranged the blueprint of this long ago, as anyone can see who takes the trouble to read it. Back in 1961 the past president of the NDP, Professor Michael Oliver, published a book called "Social Purpose for Canada". I will not deal with details; anyone can get it out of the library and read it. Anyone reading it will see that circumstances at present are unfolding just as set out in Mr. Trudeau's essay in that book. Someone reading it might call it "Mein Kampf." I would not call it that; the Prime Minister has a much more literary style than the author of that book. I suggest that you could compare the author to a sixteenth century Renaissance author of a book on political science called "The Prince". This one might be called "The Canadian Prince." Everything is laid out in it. There is another little matter I should like to deal with which relates to what I have just said.

An hon. Member: Go ahead; you have our permission.

Mr. Nesbitt: Recent trends in the Canadian Broadcasting Corporation particularly in news and public affairs programs, certainly give me some cause for concern and create some cause for alarm. I listen constantly to the CBC and many of the programs of that organization are very good—outside of the public affairs programs. I have been listening

to comments on the provincial elections at present being held in Prince Edward Island and Quebec. Nobody by the greatest stretch of the imagination could call these programs that come on at eight o'clock in the morning under the heading of news and "Preview Commentary", and deal with so-called free interpretation of the news, anything but outright propaganda. These trends in the Canadian Broadcasting Corporation are particularly ominous, Mr. Speaker, because the CBC has a long and odious record of expertise in propaganda, distortion and outright lying in the so-called news and public affairs programs.

Some hon. Members: Hear, hear!

An hon. Member: Don't be so kind.

Mr. Nesbitt: I am just listening to my friends on my left. They used to have a proprietary right in that organization, almost.

Some hon. Members: Hear, hear!

Mr. Nesbitt: As they say, Mr. Speaker, those were the days. But things are changing.

An hon. Member: At least we were intelligent.

Mr. Nesbitt: My hon. friend from Oshawa-Whitby (Mr. Broadbent) is making some remarks behind me. We used to hear the "independent" views of Michael Oliver, a professor of political science at McGill. Finally, even after he was made president of the NDP, it turned out that he was still being described as a nice little professor of political science. I wonder what would have been said from that quarter if the president of the Liberal Association or the Conservative Association had appeared in a similar capacity.

In any event, may I briefly now refer to a speech by a very eminent man who was a member of this House and a former parliametary secretary to a Prime Minister of Canada. I am speaking of the former hon. member for Leeds, Mr. John Matheson, who now is an eminent judge. Mr. Matheson made a speech to the Canadian Club at Winnipeg on Thursday, December 8, 1966. He spoke about the Canadian Broadcasting Corporation. May I quote one or two excerpts from that speech. He was talking about CBC program and had this to say:

> A series of programs seemingly calculated to rake the French-English issue, included six interviews on the subject with four separatists and two English speaking Quebeckers, reacting with emotion. In addition some 12 French Canadians were hot-seated, pilloried, mocked or their comments distorted.

[Mr. Nesbitt.]

These, of course, were the days probably when Mr. René Lévesque, that great advocate of Canadian unity, was one of the leading spokesmen on the French network of the CBC. Despite complaints, he kept appearing just the same as a purveyor of the idea of national unity. On page 6 of Mr. Matheson's speech the subject of drugs is dealt with. Incidentally, because of the position he occupied Mr. Matheson had plenty of opportunity to have his remarks well documented and researched. I find them very helpful. This is what he said about the question of drugs:

> Two major programs stressed the delights of drug taking, glue sniffing and LSD, without adequately portraying the serious dangers.
>
> Some 80 items touched on American subjects or on the U.S.A. itself. 62 were either overtly anti-American or played on U.S. problem and ills. 16 items dealt with the Viet Nam war.

And so on. Lower down on the same page Mr. Matheson had this to say about programs on communism:

> On 14 programs communism was given sympathetic treatment. Not once in two years was there any substantial criticism of a communist country or of communist philosophy.

An hon. Member: What about the communist conspiracy?

Mr. Nesbitt: That's right. Just wait; I have a few more comments to make. I cannot help hearing the remarks of my friends on my left. I ask any of them to provide me with one bit of information by which they can show me that the foreign policy of the CCF or NDP at any time has varied one iota from that of the Kremlin.

Some hon. Members: Hear, hear!

Mr. Nesbitt: Another matter raised on page 7 of Mr. Matheson's speech is the following:

> An estimated 69 items dealt with government institutions, parties or personalities—10 only from a favourable viewpoint. 48 were critical, undercutting institutions of government and/or satirically critical of members of the Liberal, Conservative, Social Credit and Creditiste parties.

An hon. Member: Hooray!

Mr. Nesbitt: Having read these remarks, may I now refer to another little item—I must watch my time, Mr. Speaker—

Some hon. Members: Oh, oh!

An hon. Member: We're watching you.

Mr. Nesbitt: May I now deal with a little matter that relates to the credentials of spokesmen of the CBC, because I submit that

on occasion over the year they have been outright falsified. I have a little notation in my hand dated February 7, 1961, dealing with Mr. Arnold Beichman.

Some hon. Members: Oh, oh!

Mr. Nesbitt: I guess they know who he is; I am referring to my friends to the left over there.

Some hon. Members: Hear, hear!

Mr. Nesbitt: The notation is to the following effect. In October, 1960, the CBC's Toronto office decided to do a television broadcast concerning the Canadian delegation and Canada's role at the United Nations. May I point out that there was an excellent CBC correspondent at the United Nations, namely Mr. Stanley Burke. But he was in no way consulted. A producer in Toronto by the name of Clifford Solway went to New York from Toronto and hired Mr. Arnold Beichman to do the telecast. Mr. Beichman was introduced as a "special correspondent of the *Christian Science Monitor*". I did not see the telecast since I was in New York, but I heard a great deal about it and the content was apparently highly inaccurate and very derogatory with respect to the role of Canada and the Canadian delegation at the United Nations. Since the impression was given that Mr. Beichman was the United Nations correspondent of the *Christian Science Monitor*, naturally a great many people took Mr. Beichman's remarks very seriously indeed.

• (9:10 p.m.)

The *Globe and Mail* published a prominent editorial concerning Mr. Beichman's remarks on October 27 last. As a matter of fact, the editorial noted that Mr. Beichman's remarks should be carefully considered because of the very important newspaper that he represented. The fact is that Mr. Beichman did not represent the *Christian Science Monitor* at the United Nations or anywhere else. He was accredited to the United Nations as correspondent for the AF of L-CIO News, and as far as I could discover he was unknown to the United Nations' press gallery.

Mr. Deachman: Mr. Speaker, on a question of privilege—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Vancouver Quadra (Mr. Deachman) on a question of privilege.

Mr. Deachman: Mr. Speaker, in case the hon. member's pronunciation is leading to any delusion in the House, I just want to say I am not with the *Christian Science Monitor* or the AF of L, or any of those things. I am just the Member of Parliament for Vancouver Quadra.

Mr. Nesbitt: I have no intention of referring to the hon. member as otherwise. Now, Mr. Speaker, this matter was drawn to the attention of the CBC. But a couple of weeks later they had an advertisement in the *Globe and Mail* for a discussion on anti-American feeling in Canada, in which would take part Mr. Arnold Beichman of the *Christian Science Monitor*. Of course, there could be no mistake then. In 1968 I got a telephone call from the CBC at my office in Woodstock. They wanted me to take part in a panel discussion on Canada-U.S. relations at the Couchiching conference. I inquired who would be taking part and there were several people mentioned, including Mr. Pearson, the former Prime Minister. Then they said, "We have a wonderful man, Mr. Arnold Beichman, United Nations correspondent of the *Christian Science Monitor*." I will not say here what I said over the telephone, but I should have been smarter, Mr. Speaker. I should have said, "Oh, yes," gone there, and done the unveiling on television, but I missed out.

Why is this man being chosen all the time for television appearances? Either he has friends in the CBC, which is quite likely, or he sets out a viewpoint which is sympathetic to the viewpoint of those in charge of CBC public affairs programs. I could mention many more. I have already mentioned Mr. Levesque. To indicate how good the CBC is with propaganda, there are these relentless attacks on the United States of America. Nobody objects to their countries being criticized, including friendly countries, but no other country is the subject of these attacks day in and day out except the United States of America.

I mentioned this in the House previously and I got a nasty letter from Mr. Fraser, the vice-president of the CBC at the time. I told him that if he could show me one program that was even neutral to the United States I would be glad to withdraw my remarks, but I heard nothing more about that. I have heard programs broadcast by Radio Moscow about the United States which were moderate compared with CBC programs.

One good example recently of such a CBC program was a telecast showing the horrors of the Viet Nam war and the terrible things

the Americans were doing. All of us know that wars are pretty tough things, and some of us have served in wartime. We know that if people want to take pictures of bad things they can take plenty of them. This show had a particularly atrocious picture of a small child, burned black, on the steps of a public building. However, Mr. Speaker, I have a pretty good memory. That picture was on the cover of *Life* magazine in 1940, showing the bombing of Chunking.

Some hon. Members: Oh, oh!

Mr. Nystrom: Does that justify the war?

Mr. Nesbitt: There is that junior Pollyanna from the west back there again. The only possible conclusion that any reasonable person could draw from the activities of the CBC is that those in charge of public affairs broadcasts in the CBC are, to say the least, sympathetic to the policies of the Soviet Union and China. This was virtually admitted by the president of the CBC when not long ago Mr. Michael McClear was in North Viet Nam for an exclusive assignment there, the first person from the western side allowed into North Viet Nam to do such a show, and Mr. Davidson said he was sent there because he had friends and associates in the North Vietnamese government. No one objects to communist propaganda on the CBC or anywhere else provided that occasionally there is some other kind of propaganda presented, but when you get only one side of the picture day in and day out it becomes too much.

I do not see why a handful of dedicated propagandists in the CBC should be permitted to use public facilities to promote their economic, social and political policies to the exclusion of all other policies. That is all that goes on, and we are paying for it. Not long ago the president of the CBC at a policy conference at Niagara Falls, where the presidents of the various media were invited to speak, was asked about the presentation of these views. I was surprised that the president of the CBC, for whom ordinarily I have a great regard, replied with the fatuous remark, "We don't look into the background of people we hire to do our public affairs broadcasts." Nobody expects that he should, but when he finds only one side of a controversy being presented day in and day out, we expect him to check into it and say that the public want to hear more than one side of the controversy.

Many people employed in the CBC are rather distinctive in their social attitudes and the like. That is their business. It concerns nobody else and they are entitled to their private views, but when they bring these to work with them and try to mould everybody in Canada to the same image, that is a different kettle of fish. This attitude of the president of the CBC becomes somewhat alarming because of recent trends in the CBC. I have mentioned the question of the recent provincial elections. It was brought to my attention that one of the directors of the public affairs programs has a pretty close association with the government party. He arrived in the CBC not too long ago. He had been president of the Young Liberals at university. He ran the election campaign for one of the Liberal candidates in 1965. I am informed he was at Liberal headquarters for some time afterwards. Suddenly he becomes public affairs director of the CBC. I do not propose dealing with names—that is not fair—but if anybody would like to know the name privately afterwards, I would be glad to tell him.

This fits in with all the things I mentioned earlier, with this attempt at thought control. My time is running short, Mr. Speaker, so I have to curtail my remarks, but I say that the government's theory of communication is another disturbing thing. As applied to the Post Office, the government holds that it must pay its own way and never mind service to the public. That is one form of communication. But what is sauce for the goose, the Post Office, is not necessarily sauce for the gander, the CBC. This is because you cannot do much propaganda via the Post Office, or promote thought control, but you sure as heck can through the CBC. So the taxpayers have to put up $165 million a year to pay for that.

It was brought out, only today, by the president of the CTV that CBC advertising rates are so low that private broadcasters cannot compete with them. So, we are now using taxpayers' money to put private organizations out of business, and there is to be only one method of public information, or thought control, left in the country. All this makes a person pretty worried about the CBC, and there is certainly no question of the government attempting to save money on the CBC. We are told that everybody has to cut down and pare away expenses, and that every department has to lay off civil servants, and the like. But there is no thought of cutting down the expenses of the Prime Minister's office. Obviously most of the people there are taken on for public relations purposes. Nor is there any thought of cutting down CBC

expenses; they are throwing money around just like it was going out of style. All sorts of testimony has been presented before various committees of this House, and also outside, of the extravagance of that organization but nothing has ever been done about it.

• (9:20 p.m.)

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Is there unanimous consent that the hon. member continue?

Some hon. Members: Agreed.

Mr. Nesbitt: Thank you, Mr. Speaker. I appreciate the courtesy of the House, but I know there are other members who wish to speak. I have virtually completed my remarks, in any event.

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, I do not propose to take very long but I should like to go back to the earlier stages of this long drawn-out budget debate. Several weeks ago when the hon. Minister of Finance (Mr. Benson) presented his budget, he came in for a great deal of criticism. The budget was criticized because it made no provision for the old age pensioners, and it is with this aspect that I wish to deal.

It seems that in the last few days of the budget debate speakers have strayed from the direction in which the debate started. As you will recall, Mr. Speaker, a couple of amendments centered on the absence of measures for the relief of people on fixed incomes and, in particular, the senior citizens of this country. Some members from the opposite side of the House said they deplored this failure, and others spoke of their disappointment in it. I am sure there are not very many who deplore it or are disappointed, because most members realize the financial limitations under which governments must work.

We all agree, I am sure, that we are in favour of dramatically increased pensions for senior citizens, and in the next few minutes I hope to deal with how we may achieve this. Just after the Minister of Finance made his budget speech I visited the Old Timers' Club at Turner Valley, Alberta. Naturally, the people there were concerned about the level of the old age pension and the fact that so many of them find it more difficult to get by today than when they first retired, even though their pensions are now somewhat higher. A number of them asked me how the government is ever going to be able to pay back those people who bought government bonds. I was pleased to be able to tell them that as a result of this budget and the government's efforts in the last year there have been two successive surpluses. This means that money will be available for the payment of the debt which governments have been incurring for the last 13 or 15 years through deficit budgets.

I, like most hon. members, am aware of and concerned about the plight of many individuals and families who rely in whole or in large measure on the old age pension and the guaranteed income supplement for their source of income. It is amazing how so many people are able to exist on such an inadequate sum. All of us who are members of this House receive letters from these fine citizens outlining the various situations in which they find themselves. I recently received one such letter from a gentleman in Bellevue, Alberta. He stated in part:

> It is not so difficult when two people are both receiving old age benefits, but like myself it is quite difficult. My spouse, who is much younger than myself, does not receive the old age pension. I also have a daughter attending high school. We are all supporting ourselves on this. Hard to believe? We pay our gas bills amounting to $10 per month, light bills amounting to $5, medicine which is from $5 to $10 a month, constant home repair expenses, and many others. In the end, we do not have much left for the high standard cost of living, as you can well see.
>
> —We old age pensioners, who have built the Canadian economy should have a right to a little free care, but as you can see we are at the bottom of the pile.

People such as this deserve to be admired. But while we admire them we should not be content with leaving them at the bottom of the pile. The fact that they do get by is not reason enough for not increasing assistance to them. They manage to maintain themselves only by making sacrifices which the rest of us would not be prepared to make. Of all the groups in our society, one of the most researched is the aged, as we classify the group to which those over 65 years of age belong. Many studies and many papers have been written about the problems of this group, not only in this country but in the United States and other nations of the world. Almost without fail, the studies conclude that the single, most serious problem facing individuals over 65 is the financial one. A

large proportion of our pensioners simply do not have enough money to provide them with an adequate and decent standard of living. Indeed, as a group our aged would have to be classified as poor. The poverty of the aged is as well-rooted as that of any other single group. The Special Committee of the Senate on Aging which conducted its studies relating to the aged in Canada during the year 1966 found as follows:

> Without question the most serious problem encountered by the Senate committee in the course of its investigation was the degree and extent of poverty which exists among older people.

Even though, since the Senate committee made its report, many old age pensioners have received additional benefits of up to 40 per cent of their pension under the provisions of the guaranteed income supplement, a great many of them still do not have the income necessary to support themselves and, in many cases, their families. This is a situation which we as concerned Canadians, which we as representatives of the people should not tolerate. I am sure all hon. members agree that further aid must be given to the aged in those cases where it is required. The question then becomes, what can we do and how can we do it?

When examining the possibilities of increasing aid to the aged we must, of course, look at the financial implications to the economy as a whole. In the last year for which we have complete records we spent approximately $1,300 million on the combined old age pension and guaranteed income supplement. Of that total, approximately $250 million, or one-quarter of a billion dollars, was the amount paid out under the guaranteed income supplement. It is interesting to note that the total paid out under the old age pension and the guaranteed income supplement amounts to 10 per cent of the total expenditures of the federal government. Having these figures before us enables us to see precisely what the possibilities may be and the limitations within which we can honestly advocate an increase in payments to the senior citizens of this land.

It is obvious, for example, that we cannot apply a simple formula such as a 100 per cent across the board increase. We simply cannot say that we will double the pension and double the guaranteed income supplement, because the federal government budget just cannot spend another $1\frac{1}{2}$ billion. There is just not enough money in the federal treasury, nor are there sufficient sources of revenue for the government to be able to apply such a simple formula. It is obvious that something less will have to be done. If the increase should be 10 per cent in the pension and in the guaranteed income supplement, it is obvious that will not solve the problem which I submit has to be solved. What has happened is that we are using a lot of our resources which have been set aside for social purposes in a way that does not benefit the people who should be receiving benefit.

• (9:30 p.m.)

This afternoon in one of our committee meetings we heard evidence that I am sure was shocking to all members present. According to the witness—and we have no reason to doubt him—in a community of 1,500 people in northern Alberta, 80 per cent are on welfare. It costs an average of $30,000 per year to maintain each family on welfare in that community. That is a substantial amount of money. This amount includes not only the funds spent on the family but also the administrative costs. I think an example such as this is all that is required to point out that our system of social security must undergo a complete revamping. When we pay $30,000 to support a family which probably should be able to get by on $7,000 or $8,000, we are not making the best use of our resources.

I am heartened by the fact that the Minister of National Health and Welfare (Mr. Munro) is making a complete study of the social security system of this country. Within a very short time the minister will be presenting a white paper outlining how we can rationalize this system which we have created through what can perhaps be termed an ad hoc approach to problems. This is what we have done over the years in dealing with people who require assistance because they are not able to look after themselves—the senior citizens of this country. We have built a system which is no longer making the best use of our funds.

I am convinced that by taking a rational approach and trying to co-ordinate the various loose ends of the social security picture we can save money and at the same time increase the benefits to groups such as the old age pensioners. It is obvious that if the Minister of National Health and Welfare is able to obtain only $500 million from his colleagues on the Treasury Board, as some people fear he may, this amount will enable him, without affecting a saving anywhere else in the social structure, to triple the

guaranteed income supplement. By doing this, every person who qualifies for the guaranteed income supplement would be assured of an increase in excess of $150 per annum. Most people who have studied this problem, not only in Canada but in the United States, agree that if the government can provide a guaranteed income supplement of approximately $150 per annum for old age pensioners this would enable them to live in decency. I repeat that I look forward to the approach which the Minister of National Health and Welfare is taking. I am sure it will result in a substantial increase in the pensions of our senior citizens. I am sure that hon. members from all parties will support this measure.

One other matter in relation to old age pensioners which I feel should be discussed relates to property taxes and rents which senior citizens must bear. As hon. members know, a very large portion of property tax is made up of the amount of taxation required to support education. The senior citizens who have lived in this country for many years have to a great extent been responsible for the building of this country. They paid for the education that most of us in this House and which most adults in the country have received. Yet these people are still being required to pay for the greatly increased educational costs which we are undertaking today.

It is my belief that the government should consider easing the property tax burden and rental burden on old age pensioners through some form of allowable deduction for income tax purposes. Perhaps the entire amount of property tax which the old age pensioner pays on his residence, or a portion of the rent could qualify as a deduction from income tax. There are other possibilities. Perhaps this amount could be related; however, it is unlikely that the federal government could do this directly. It may be necessary for the federal government to provide some incentive to provincial governments to ensure that they institute programs to ease the property tax burden and the rent burden on our senior citizens. I commend this suggestion for the minister's consideration.

Again, Mr. Speaker, I look forward to the introduction of the white paper on social security. I hope it will provide very substantial increases in the pensions of our senior citizens.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I had intended in this debate to focus and zero in on three specific issues, but in view of the fact there are only five minutes left, I shall confine myself to one. That is need for federal and provincial legislation to ensure a greater degree of Canadian ownership of Canada's natural resources.

Some hon. Members: Hear, hear!

Mr. Cafik: The basic development of Canada's resources in the past has largely depended upon the extent of foreign investment that has been brought into this country. This has largely taken the form of equity investment. If steps are taken to dissuade or dry up this foreign investment, corresponding steps must be taken to encourage Canadian individuals and institutions to replace this missing capital with their own risk dollars.

I believe that legislation is required to make it possible for many of our institutions to take the necessary steps to assist us in achieving self-ownership. Insurance companies have millions and millions of dollars in reserve, but are prohibited by law from investing in a way that will help us achieve that objective. They are limited to the investment of 15 per cent of their reserves in equity stock, and only then under very stringent rules. For instance, they can only invest in a firm with a five-year history of earnings. This is but one of the many restricting limitations. A change has to be made in this regard. A portion of such funds must be made available for equity investment in risk ventures.

• (9:40 p.m.)

Then there is the money tied up in federal and provincial funds, a great deal of it—as one example the Canadian Pension Plan investment fund. In this particular case, $1,280,788,000 was given to the provinces for investment in 1968. Their investment transactions do not include investment in equity stocks. I believe laws should be passed which would allow this to happen. The money is being used at present to support provincial and municipal bond issues and investments of that type. I believe it should be required that a significant proportion of these funds be used for investments in areas of development which would maximize Canadian participation in our own future.

In my view it is better for levels of government to borrow foreign capital from banks than it is to admit the same amount of capital into Canada by way of investment on an equity basis in our primary resource industries. The Canadian Development Corporation

will be of help in this regard, but it is not a cure-all—it is no magic formula. Other steps need to be taken.

Wealth is the consequence of three things—first, the God-given base resource or material; second, the application of capital and, third, the application of labour—thus transforming God's gifts into something more valuable or desirable. Labour and capital have the right to their reward, but our natural resources are, in my view, the common heritage of all mankind; in a special way they are the common heritage of those who live in the nation where those resources are found. If we do not recognize this now through legislative steps, something more drastic will have to be done at a later date to rectify the situation.

In short, I believe we must take action to assure the future of Canada for all Canadians. I believe legislation is required to accomplish this.

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. It being 9.45 o'clock p.m. it is my duty, pursuant to section 8 of Standing Order 60, to interrupt these proceedings and forthwith put every question necessary to dispose of the motion now before the House.

[*English*]

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division.

Motion agreed to.

The Acting Speaker (Mr. Béchard): Shall I call it ten o'clock?

Some hon. Members: Agreed.

At 9.45 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, April 24, 1970

The House met at 11 a.m.

ROUTINE PROCEEDINGS

REGIONAL ECONOMIC EXPANSION

TABLING OF SPECIAL AREA AGREEMENTS WITH NEW BRUNSWICK AND NEWFOUNDLAND GOVERNMENTS

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, on behalf of the Minister of Regional Economic Expansion I should like to table copies of the special area agreements between the government of Canada and the provinces of New Brunswick and Newfoundland.

• (11:10 a.m.)

LABOUR RELATIONS

PROSPECTIVE LAY-OFF OF CPR CLERKS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave of the House to present a motion under Standing Order 43. The pressing and urgent necessity for such a motion as mentioned in the Standing Order is that there is a serious situation developing because of the announcement by the Canadian Pacific Railway that it intends to reduce by 10 per cent its expenditures on clerical services, which will result in the laying off of several hundred workers. In view of the seriousness of the situation and the dispute that is arising, it seems to me the House will agree that this matter ought to be considered by an appropriate committee. I therefore move, seconded by the hon. member for Moose Jaw (Mr. Skoberg):

That the action of the Canadian Pacific Railway in announcing a 10 per cent reduction in its clerical services, and the lay-off of several hundred workers that will result therefrom, be referred to the Standing Committee on Labour, Manpower and Immigration for consideration and report.

Mr. Speaker: As hon. members know, a motion under Standing Order 43 requires the unanimous consent of the House. Is there such unanimous agreement?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous agreement. The motion posed by the hon. member cannot be put at this time.

RAILWAY ACT

AMENDMENT RESPECTING NOTICE AND FULL DISCLOSURE OF ACCIDENTS

Mr. John L. Skoberg (Moose Jaw) moved for leave to introduce Bill C-207, to amend the Railway Act (Notice of Accidents).

Some hon. Members: Explain.

Mr. Skoberg: Mr. Speaker, in introducing this bill, an act to amend the Railway Act, notice of railway accidents, I wish to explain its purpose very briefly. The purpose is to make it mandatory that all accidents to equipment or roadbed where the damage exceeds $1,500 must be made public. All accidents reported to the Canadian Transport Commission and which are investigated by that commission will be made public. Nothing will be confidential. Up to this time the commission has not been obligated by law to make public those accidents it has investigated. I suggest that at this time an amendment of this type to the Railway Act is quite appropriate.

Mr. Speaker: Order, please. The hon. member can only explain the purpose of the bill. He cannot argue his case.

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

ORAL QUESTION PERIOD

TAXATION

WHITE PAPER ON REFORM—INTRODUCTION OF LEGISLATION—FURTHER PROPOSALS RESPECTING SMALL BUSINESSES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to ask the Minister of Finance whether it is still his target to have the government's proposed tax legislation effective for the year 1970. I ask

this question particularly in view of the increasing number of difficulties and complications that are being raised in connection with the white paper proposals.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am sure my hon. friend is speaking about 1971. I have said it is an objective. It is not necessarily binding. Whether we will be able to meet this objective will depend on the speed with which the white paper is handled by the committees of the House and the Senate.

Mr. Stanfield: A supplementary question. Can the minister advise the House whether the drafting of this legislation has already commenced or can he assure the House that the drafting of the bill will not be commenced until the parliamentary committee has reported?

Mr. Benson: To my knowledge the drafting of the bill is not under way.

Mr. Stanfield: Can the minister give the House the assurance that the drafting of the bill will not commence until after the committee has reported?

Mr. Benson: Until the committees have reported it will be impossible to draft the precise bill because we are going to look at the recommendations of the committees and I suspect, take action of course, on some of those recommendations.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister when we may expect his proposals to overcome the difficulties which he has admitted his white paper proposals will create for small businesses, although when he recognized these difficulties he said he did not have any proposals but hoped somebody else would have. Has he discovered that somebody else has come up with proposals?

Mr. Benson: Mr. Speaker, a great many submissions have been received from individuals and organizations and these are presently being studied. As I indicated publicly, I have also asked my department to look into the financial problems of small businesses.

SOCIAL SECURITY

GOVERNMENT POLICY ON GUARANTEED ANNUAL INCOME—PUBLICATION OF WHITE PAPER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. When Dr. Willard, the Deputy Minister of Welfare, made his statement a day or so ago to the Canadian Pension Conference to the effect that the guaranteed annual income was the best solution to our social problems, was he expressing government policy and, if so, may we expect action on a guaranteed annual income at this session of Parliament?

[Mr. Stanfield.]

Mr. Speaker: Order, please. I suggest that the question cannot be asked in this form. My understanding of the rule is that it is possible to ask the Prime Minister whether a minister in making a statement outside the House was expressing government policy, but I wonder whether this extends to statements made by civil servants. I think the question might be asked directly and responded to in those terms.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister whether a guaranteed annual income is now government policy?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in view of the fact that all these questions, so far as the government is concerned, seem to hinge on the forthcoming white paper on social policy, will the Prime Minister do his best to expedite the publication of this white paper?

Mr. Trudeau: Yes, Mr. Speaker.

FINANCE

REALLOCATION OF RESOURCES—REPRESENTATIONS BY MUNICIPAL AUTHORITIES TO COMMITTEE ON THE CONSTITUTION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is also directed to the Prime Minister. In light of the expression of opinion that federal observers could have participated in the present Ontario provincial-municipal conference on the allocation of financial and tax resources, is it the intention of the government of Canada to actively encourage the municipalities of Canada, with the co-operation of the provincial governments, to send official representatives to testify before the special committee on the constitution as to the needs of the municipalities in respect of a reallocation of tax and financial resources commensurate with their responsibilities in the years to come?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not sure I understand all the implications of the question, but if it is a suggestion that we intervene in municipal affairs I understand this is not the desire at least of the Prime Minister of Ontario. It seems to me the hon. member and the Leader of the Opposition are following a policy of confrontation on this matter.

Mr. Lambert (Edmonton West): Mr. Speaker, it is obvious that the Prime Minister misunderstood the whole question. My question is: Will there be active encouragement of the municipalities, through their representatives and with the consent of the provinces, to appear before the special committee of Parliament on the constitution in order to discuss the question of reallocation of tax and financial resources to the municipalities?

Mr. Trudeau: Well, Mr. Speaker, I do not believe the parliamentary committee on the constitution will be discussing the question of tax resources, at least not at the outset, and the desirability thereof. However, if the provincial governments wished to authorize their municipal people to appear before the parliamentary committee and if the parliamentary committee wanted them to appear, the government certainly would have no objection.

Mr. Lambert (Edmonton West): I have a further supplementary question, Mr. Speaker. Would it be the intention of the government, with the consent of the provinces, to invite the municipalities of Canada to send official representatives to further federal-provincial conferences on fiscal relations and the constitution?

Right Hon. P. E. Trudeau (Prime Minister): I have stated before, Mr. Speaker, that at federal-provincial conferences the provinces compose their delegations in the way they want. If they want to include in their delegations municipal representatives they are perfectly able to do so and the federal government, of course, can do nothing else but accept the delegation as composed by the provincial government.

REPORTED STATEMENT ON CAPITAL GAINS TAX ON HOMES

Mr. Craig Stewart (Marquette): I should like to direct my question to the Minister of Finance. Has the minister told the Liberal caucus that there will never be a capital gains tax on homes?

Mr. Speaker: Order, please. The hon. member knows that the question as asked is not in order.

Mr. Stewart (Marquette): May I rephrase my question? Was the hon. member for Provencher announcing government policy when he made this statement publicly in Manitoba?

Mr. Speaker: Order, please. Again the ruling made by the Chair a moment ago applies to the question asked by the hon. member. It is not in order in those terms.

POLLUTION

REQUEST FOR DECLARATION OF PROPOSED ENVIRONMENTAL DAY AS NATIONAL HOLIDAY

Mr. John L. Skoberg (Moose Jaw): My question is directed to the righ hon. Prime Minister. In view of the number one priority the government of Canada has placed on the environmental problem, paticularly as it pertains to pollution control, and in view of the announcement that Environmental Day will be held in Canada probably some time in October, would the Prime Minister announce this day as a national holiday so that all the people of Canada can join in this wonderful demonstration?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I might tell the House that if I were to announce a national holiday for every important day which is brought to my attention by respected groups across the country we would not work on any day of the year.

Mr. Lewis: What's wrong with that?

Mr. Skoberg: I have a supplementary question, Mr. Speaker. Would the right hon. Prime Minister recognize the importance of this day and recommend to this House that it be a national holiday?

Mr. Trudeau: Yes, Mr. Speaker, but what about Mothers' Day and Fathers' Day and all these other days?

An hon. Member: They fall on a Sunday.

BANFF AND JASPER—PROVISION OF SEWAGE TREATMENT FACILITIES

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct a supplementary question to the Minister of Indian Affairs and Northern Development. When does the gov-

ernment plan to practice what it preaches in respect of pollution by providing Banff and Jasper with sewage treatment and disposal facilities?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I wish to say that I have answered that question on several occasions and that works have been undertaken at those two places, in order to correct that condition.

[*English*]

ORDER OF REFERENCE FOR SPECIAL COMMITTEE

Mr. Louis-Roland Comeau (South Western Nova): My question is a related one and it is directed to the House Leader. Does the government intend to give some order of reference to the new pollution committee? Will a meeting of that committee be called, or is its establishment simply a political gesture?

Mr. Speaker: Order, please.

MONTREAL HARBOUR—THREAT CAUSED BY CYANIDE BARRELS IN WATER

Mr. James A. McGrath (St. John's East): I have a supplementary question for the Acting Minister of Fisheries, or for the Prime Minister who has some interest in this matter. How serious is the threat of cyanide pollution in Montreal harbour as a consequence of the accident yesterday when several barrels of cyanide fell into the water?

Right Hon. P. E. Trudeau (Prime Minister): The Minister of Fisheries and Forestry is today visiting certain areas in respect of mercury pollution. If he is in the area of Montreal I will ask him to look into the other matter.

Mr. Bell: But it is dangerous for Montreal.

Mr. John Lundrigan (Gander-Twillingate): In view of the fact that the Minister of Fisheries is now in Vancouver on a speaking engagement, could someone else be designated to perform that chore?

Mr. Trudeau: I will try to put a Jetstar at his disposal.

[Mr. Noble.]

FINANCE

FEDERAL TAXES AND PAYMENTS TO PROVINCES—FAILURE TO ANSWER QUESTION—RELEASE OF INFORMATION RESPECTING QUEBEC

Mr. Steven E. Paproski (Edmonton Centre): I should like to direct this question to the President of the Privy Council, the House Leader. For six weeks my question No. 1,403 on page 102 has been on the Order Paper. I have requested a reply several times but it has not yet been answered. Now I find that the information concerning at least one province has been released in this morning's Montreal *Gazette* by the Liberal party caucus.

If it is possible to compile the information for one province, why is it not possible to compile the information for the rest? Obviously, therefore, the government had the information for which I asked in the public interest and refused it to me while releasing it to non-parliamentary persons for partisan purposes. I bring this matter to the attention of the House Leader again and ask that the members of this House be granted equal and proper treatment.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the bulletin to which the hon. member refers is not a government publication. I understand it is made up from information which is available to anyone on demand or which is in public documents. Therefore, if the hon. member wants to have the research people attached to his party compile the information they can do it quite easily from public documents.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I wish to direct a supplementary question to the right hon. Prime Minister. Does the Prime Minister think that a provincial election campaign where separatism is one of the main issues is outside his jurisdiction, beyond his influence, or both?

Mr. Speaker: Order, please. I would not think that a question asked in those terms is acceptable. The hon. member is asking an academic question, or is asking it in academic terms, and I would have some doubts whether it would be acceptable procedurally on that basis.

MANPOWER

REQUEST FOR STATEMENT ON AVAILABILITY OF SUMMER EMPLOYMENT FOR STUDENTS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Government House

Leader. Would he request his colleague, the Minister of Manpower and Immigration, to make a statement on motions at the earliest opportunity next week as to the present state of availability of employment for students during the summer months? I ask this question, Mr. Speaker, because as all hon. members of the House know there is a great demand by students of all ages—

Mr. Speaker: Order, please. The hon. member has asked a question. It is not necessary for him to explain why he is asking it.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I believe it was yesterday that my colleague indicated in response to a question that he would not be in a position to determine the absolute level of employment this summer until the end of the summer was reached, but he did indicate he would be prepared to make available to the House in the near future the measures which the government proposes to undertake to assist student employment. I will bring the hon. member's question to his attention and remind him of the previous answer.

TRANSPORT

DEMOLISHING OR REPAIR OF NEW WESTMINSTER GRAIN ELEVATOR

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I address a question to the Minister of Transport. Is the minister now in a position to answer my question relating to the grain elevator at New Westminster, B.C., as to whether the elevator is to be torn down at an approximate cost of $250,000 or will it be repaired at the same approximate cost and thereby be available for grain storage and shipment?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have taken account of the previous question which the hon. member asked me and I provided him with some information. I regret I do not have the subsequent information on the question he asked this morning but I will undertake to get it as fast as I possibly can.

REPORTED REDUCTION OF AUTOMOBILE SAFETY FEATURES BY MANUFACTURER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Transport. Yesterday I asked the Minister of Consumer and Corporate Affairs a question relating to a report that an automobile company was reducing or eliminating certain safety features in some automobiles in association with a reduction in price, and the minister undertook to bring it to the attention of the Minister of Transport. Can the Minister of Transport give the House any assurance that these reduced safety features will not in fact constitute an additional hazard on the highways, and can he tell the House whether he has investigated this matter?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I have conducted a preliminary investigation. The facts, as I know them at the moment, are that the so-called reductions are not within the guidelines or regulations which are now being adhered to voluntarily by the industry. As the Leader of the Opposition will know, we are now in the process, as a result of the passing of the highway safety bill a few weeks ago, of drafting new regulations. I can assure the House that in those regulations will be all the necessary safeguards, and if it should happen that some of these co-called withdrawals do not conform with the regulations we will see that the regulations are enforced.

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the minister's statement that some of these changes will reduce the safety factor below what the regulations will permit, can the minister give us a firm date on which these regulations will become effective?

Mr. Jamieson: Mr. Speaker, I do not think I said they had gone below what the regulations permit because we are not sure at the moment whether they are below. In so far as the date for proclamation of the regulation is concerned, the technical details are complex but we have undertaken to have them out within the next two months and I would think the announcement will likely come within the next six weeks.

Mr. Stanfield: A further supplementary, Mr. Speaker. Has the minister had an opportunity to inquire whether the direction to reduce these safety features came from the head office in the United States? If so, is this a matter of concern to the minister and is any action to be taken in regard to it?

Mr. Jamieson: Mr. Speaker, I have no knowledge of where the so-called instructions originated. I should emphasize, however, that the major one that appears to be of concern in some models and in a limited number of

cars is the retractable seat belt rather than the one that simply lies across the seat. They have removed the device which caused the safety belt to retract. We are trying to determine whether this constitutes a reduction in its safety value.

ENFORCEMENT OF NEW AUTOMOBILE SAFETY REGULATIONS

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Transport, Mr. Speaker. Can the minister give some assurance to the House that the 30 regulations he indicated to the Standing Committee on Transport and Communications will be enforced when he proclaims them?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. Just to amplify what I said, as I am sure the hon. member knows the technical standards, which are very complex, are now being drawn. I have said the very outside figure is two months but I think they will be ready in six weeks. We will be publishing them as fast as we can and proclaiming the act simultaneously.

[*Translation*]

AGRICULTURE

DAIRYING—POSSIBLE AMENDMENT OF POLICY RESPECTING GRANTS

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

Since the new dairy policy will compel some milk producers to sell their herd, is the minister in a position to tell us whether he will soon introduce a subsidy policy for each milch-cow sold for slaughtering purposes?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker. We do not have any such policy under consideration at the present time.

PENITENTIARIES

INVESTIGATION OF SUICIDES

Mr. Rod Thomson (Battleford-Kindersley): I should like to direct a question to the Solicitor General, Mr. Speaker, who recently appointed a commission to investigate suicides in Canada's penitentiaries. When may we expect the report of this commission?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the Solicitor General did not appoint any such commission. I take it the hon. member has not read the answer to the question which was given a few days ago and which explains the situation rather fully.

AIR TRANSPORT

UNLICENSED FLYING TRAINING OPERATIONS —EFFECT ON SAFETY

Mr. J. M. Forrestall (Dartmouth-Halifax East): I have a question arising from one asked by the hon. member for Fraser Valley East two weeks ago today, Mr. Speaker, concerning the operation of unlicensed flying training schools. At that time the minister indicated that he would propose new regulations. Could he indicate to the House when they will be ready? Also, can the minister state whether subsequent investigations have revealed any cause for concern about safety in the air around our major airports as a result of unlicensed flying operations?

Hon. Donald C. Jamieson (Minister of Transport): On the second part of the question, Mr. Speaker, I do not believe there is any untoward or special danger. I have met with some groups, including the Air Transport Association. Without going into detail, which I am sure you would not permit, Mr. Speaker, it is quite a complicated job to ensure that the so-called bootlegging over licensed routes can be restrained. We are trying to find a simple formula, and I can only say that I hope to have it within a matter of weeks. I have been talking to the CTC about this matter as well.

Mr. Speaker: I believe the hon. member for Assiniboia has a supplementary to a previous question.

TRANSPORT

MOVEMENT OF GRAIN—APPOINTMENT OF CONTROLLER

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I have a related question to one previously asked of the Minister of Transport. Since it appears that the railways are falling far short of the agreed target of moving nearly 1,300 carloads of grain daily to Thunder Bay, is the minister now prepared to appoint a boxcar controller for western Canada?

Mr. Diefenbaker: We asked for that a year ago.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I have indicated on many previous occasions in the House, my

responsibility in this matter is to convey these representations to the railways, which I do on each occasion they are brought to my attention. Perhaps the Minister without Portfolio in charge of the Wheat Board might have a more complete answer.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—AVAILABILITY OF REGULATIONS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the fact that the planting season is rapidly approaching and that farmers will be seeding within the next week or so, can the minister inform the House when the regulations for operation LIFT will be in the hands of the farmers?

Hon. H. A. Olson (Minister of Agriculture): Very soon, Mr. Speaker.

NATIONAL PARKS

BONNE BAY, NFLD.—POSITION OF GOVERNMENT REGARDING ESTABLISHMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. On April 8 I asked if he would indicate his department's position with regard to the establishment of a national park in view of the white paper produced by the province of Newfoundland and he said he would give me an answer as soon as he had studied it. Would the minister now be prepared to give his views?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have considered that problem and our position in the matter is always the same, it has not changed for two or three years. We are waiting for Newfoundland to decide which area it can make available to the federal government for the development of a second national park in that province.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

CONSIDERATION OF PAYMENT FOR OVERTIME

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I ask the Solicitor General if the government is now giving consideration to overtime pay for the Royal Canadian Mounted Police?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, that question was raised by way of a suggestion in the standing committee of the House of Commons which was examining the estimates.

Mr. McCleave: Mr. Speaker, as the member who raised the question there I am asking the Solicitor General for a direct answer. Is the government giving consideration to overtime pay for the Royal Canadian Mounted Police?

Mr. McIlraith: Mr. Speaker, when the committee completes its work and reports back to the House the government will consider all the matters that have come before it.

AGRICULTURE

CANADIAN DAIRY COMMISSION—APPOINTMENT OF WESTERN REPRESENTATIVE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of Agriculture. Is the government considering the appointment of a western representative to the Canadian Dairy Commission to replace Mr. L. A. Atkinson, the western representative who retired recently?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there are no vacancies on the Canadian Dairy Commission at the present time.

Mr. Dinsdale: A further supplementary question, Mr. Speaker. In view of the growing concentration of the dairy industry in Ontario and Quebec, is it the government's policy to eliminate dairy farms on the prairies?

Mr. Olson: No, Mr. Speaker.

INDUSTRY

COMPANY SHUTDOWNS—PROVISION FOR ADEQUATE NOTICE AND FEASIBILITY STUDY

Mr. John Gilbert (Broadview): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. In view of the major lay-offs of employees at the Dunlop Tire plant and the Canadian General Electric plant, their allegation that foreign imports caused these shutdowns and also their refusal to participate in a feasibility study, would the minister consider legislation covering companies under federal jurisdiction that would set up machinery whereby companies would have to go through the process of a feasibility study and also would have to give adequate notice before shutting down?

Inquiries of the Ministry

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): This would certainly not be my immediate responsibility, Mr. Speaker, but the subject is very much in the minds of many people at all levels of government at this time.

FINANCE

IMPLEMENTATION OF CONSUMER CREDIT REGULATIONS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Finance. Now that the so-called budget has passed the House almost unnoticed, can the minister state whether he has had meetings with representatives from the credit industry as intimated in the budget, and can he state if he will definitely be keeping to his timetable of new legislation in six or eight weeks?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, consultations with people in the credit business have been going on since the budget was announced in the House and the legislation is presently under preparation. I cannot give the exact date when it will be introduced in the House.

ASSURANCE TO SMALL BUSINESSMEN RESPECTING METHOD OF TAXATION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, while I would not expect the Minister of Finance to give a general outline of those portions of the white paper on tax reform which from time to time he advises are going to be diminished, altered, or abrogated in whole or in part, I would ask him that in view of the serious blows suffered by small businessmen in Canada, would he give them the assurance that there will be no reduction in the amount now in effect in respect of profits on which the lowest rate of tax applies? If he would do that he would do a great deal for small business across Canada.

Mr. Trudeau: Anything else?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the matter of the white paper is presently before a parliamentary committee. In due course I hope we will receive recommendations from that committee.

Mr. Diefenbaker: Mr. Speaker, I ask the minister why he is so diffident about this matter that affects the bulk of business across Canada when from time to time he utters ex parte statements as to alterations are going to be made. Why does the minister not come clean?

Mr. Speaker: Order, please.

Mr. Diefenbaker: Why does the minister not come clean?

Some hon. Members: Oh, oh!

An hon. Member: Come on there, Hoot Gibson.

AIRPORTS

TORONTO—APPROVAL OF LAKEFRONT SITE BY MUNICIPAL REPRESENTATIVES

Mr. Andrew Brewin (Greenwood): Mr. Speaker, may I direct a question to the Minister of Transport. In view of the fact that his officials are still discussing, I believe, with the city of Toronto, Metro Toronto, and other groups the proposed jet airport in the southern part of the city of Toronto, would he give an undertaking that no project of this sort will be proceeded with without the approval of the elected municipal representatives?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think there is some misunderstanding with regard to the report which was published, today, I believe. I reiterate my statement of some months ago that there is no intention whatever of establishing a large so-called international airport on the lakefront in Toronto. What is being examined is the possibility of what is known as an intercity type of airport, and this would involve the kinds of runways which were dealt with in the story. I want to assure the hon. member, through you, Mr. Speaker, that in so far as the Department of Transport is concerned we are perfectly willing to make full disclosure of our plans with regard to this project and to consult with all levels of government to the extent that we can obtain their co-operation to do so.

RESEARCH

UNITED STATES ARCTIC PROGRAM—CONSULTATION WITH CANADA—CANADIAN INTENTION

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, may I answer a question asked by the Leader of the Opposition last week. With respect to the use of surface effect vehicles in the north, which it has been announced the United States now intends to investigate, I

may say that Canada has for some time been carrying out research on the use of these vehicles in the north. Because of the possibility of general applicability we would naturally welcome any development work the United States authorities may carry out along these lines in their territory.

I should also like to say a word about the broader subject of Arctic research. The responsible departments have, of course, been engaged in a considerable amount of such activities for many years. There has been no direct consultation with representatives of the U.S. government concerning the proposed U.S. program of research in the fields of Arctic environment and resources. However it may be of interest that this coming weekend an inter-disciplinary group of United States research scientists will visit Canada—

Mr. Speaker: Order, please.

An hon. Member: Sit down!

Mr. Speaker: Order, please. I am sure the minister realizes he cannot make this kind of statement without reverting to motions. Is it agreed that we revert to motions?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no such agreement and the minister cannot reply to the question in that way.

Mr. Chrétien: I had almost finished, Mr. Speaker.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. The Minister of Indian Affairs and Northern Development must be a mind reader because I was about to rise to try to catch your attention, Mr. Speaker, and ask the Prime Minister if he could now answer the question I asked last week relating to the announced intention of the United States to carry out certain projects of a research or experimental nature in the Arctic and whether there have been communications from the United States or discussions as to the area in the north in which these United States activities would take place. Can the Prime Minister say whether there have been any such discussions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot add anything to what the Minister of Indian Affairs and Northern Development had just begun to state in the House. He may wish to add something.

Some hon. Members: Oh, oh!

Mr. Chrétien: Mr. Speaker, I wish to say that there will be a conference this weekend with United States scientists. We will always welcome exchanges with United States officials, but there are no official discussions taking place with the U.S. government about this matter at this time.

POLLUTION

THE ARCTIC—REQUEST FOR STATEMENT ON MEASURES TO ENFORCE ANTI-POLLUTION PROVISIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am sure the Prime Minister would be prepared to agree to what I am about to request in view of the obvious desire of the Minister of Indian Affairs and Northern Development to make a full statement on this matter that is of concern to him. I ask the Prime Minister whether he or some other minister who may be considered more appropriate would on an early occasion make a full statement as to the measures the government of Canada proposes to take with regard to the enforcement of the anti-pollution provisions incorporated in Bill C-202?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will ask the minister to consider this.

Mr. Stanfield: Mr. Speaker, with all respect, may I suggest to the Prime Minister that it is the responsibility of the government as a whole to make this statement, since it seems to involve the operations of several departments of government.

NATIONAL DEFENCE

CRACKS IN FOILS OF PROTOTYPE HYDROFOIL SHIP—COST OF REPAIRS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of National Defence. Can the minister indicate the impact made upon our defence program as a result of cracks which have been found in the foils of our experimental hydrofoil ship? Also, when does he contemplate that this prototype will be operational?

Mr. Fairweather: In 1984.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, there is an element of that question which is highly speculative. I cannot say what impact it would have on the

stature of our national defence but I can say so far as the experiments are concerned, and my information may not be quite up to date, that I think this erosion problem has been solved. We are to complete the experiments in heavy seas. After that, of course, the fundamental decision will be, where do we go from there?

Mr. Crouse: A supplementary question, Mr. Speaker. Since the cost of this project, which was originally $9 million, has now risen to some $52 million, can the minister indicate what will be the estimated cost of these additional repairs?

Mr. Speaker: Order, please. Perhaps that supplementary might be placed on the Order Paper or, if there is urgency, it can be considered at the time of adjournment.

TRANSPORT

FEDERAL ASSISTANCE FOR REGINA RAILWAY LINE RELOCATION

Mr. John Burton (Regina East): Mr. Speaker, may I direct a question to the Minister of Transport. Has a decision been reached on representations by the city of Regina and the province of Saskatchewan for federal assistance on a rail line relocation plan for the city of Regina?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, a number of negotiations are under way simultaneously with regard to the relationship between the city of Regina and my department. We have turned back to the city a considerable amount of land near the airport. We have also agreed—if the hon. member will allow me to finish I will give him the answer to his question—to mutual arbitration with regard to the value of additional land. With regard to relocation, this is also part of the over-all negotiating package, and when all three matters are resolved, I hope the answer will be satisfactory to the city of Regina.

Mr. Burton: A supplementary question, Mr. Speaker. Is the government considering legislative changes that would enable or facilitate the federal government to make a more adequate contribution to rail line relocation projects such as those proposed by the city of Regina and, I believe, by the city of Winnipeg as well?

Mr. Jamieson: And by about 25 other cities, Mr. Speaker.

[Mr. Cadieux (Labelle).]

Mr. Speaker: Order, please.

Mr. Jamieson: We are trying to find a formula that will cover them all.

AGRICULTURE

STATUS OF NEGOTIATIONS TO REDUCE FARM MACHINERY PRICES

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I direct a question to the Minister of Agriculture. The importance of the matter arises from the season of the year. Can the minister indicate if any progress at all is being made in his negotiations to reduce the Canadian farm machinery prices of major companies now operating in Canada?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, but I could not give details of that progress on this occasion. I have made statements outside the House, where I had a little more time, and indicated what steps have been taken.

Mr. Paul Yewchuk (Athabasca): A supplementary question, Mr. Speaker. Can the minister indicate whether he feels that sufficient progress is being made to bring about some final conclusion of the matter within the next week or two?

Mr. Speaker: Order, please. I doubt whether the question as asked is in order. The hon. member is simply asking the minister to express an opinion. That is not an acceptable question.

URANIUM

REGULATIONS RESPECTING OWNERSHIP OF COMPANIES

Mr. David Lewis (York South): Mr. Speaker, may I ask the Minister of Energy, Mines and Resources whether the regulations covering the policy with regard to ownership of uranium products and uranium companies are yet ready. If not, when may we expect them?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, they are not yet ready but we are working on them as quickly as possible. I hope we will have the regulations very shortly.

Mr. Lewis: A supplementary question, Mr. Speaker. May I ask the minister what purpose there is in the meetings which are reportedly being held between him and Mr. Roman, the president of Denison Mines, at this time? What role are these meetings playing?

Mr. Greene: I do not have any meetings scheduled with Mr. Roman at this time, Mr. Speaker.

NATIONAL DEFENCE

RENTAL INCREASE FOR PERMANENT MARRIED QUARTERS

Hon. J. A. MacLean (Malpeque): I should like to direct a question to the Minister of National Defence. What action is his department taking to assist servicemen who must now support an added burden amounting to about $4.5 million in extra rent charges? Is he aware, too, that civilian landlords are alleged to be charging servicemen greatly increased rents following the increase in rents for permanent married quarters?

Hon. Léo Cadieux (Minister of National Defence): I cannot talk about that allegation, but as far as servicemen's rents are concerned this question has been under study for some time. We are now proceeding as easily as we can; we have delayed implementation of the recommendation from Treasury Board by about a year. We are going by what we call a weighted national average in determining these rents, but we have made sure that in no instance will a serviceman have to pay a rent which would amount to more than a quarter of his earnings. I believe the phasing-in of this plan is not unfair; it relates to economic realities.

Mr. MacLean: Would the minister seek assistance from his colleague, the Minister of Consumer and Corporate Affairs, if necessary, to make sure that civilian landlords are not taking undue advantage of servicemen where sufficient permanent married quarters are not available on bases?

Mr. Cadieux (Labelle): I am grateful for that recommendation to my colleague and I hope he has noted it.

POST OFFICE

MONTREAL—PROVISION OF TRUCKS AND DRIVERS—NORMAL DELIVERY

Mr. Heath Macquarrie (Hillsborough): My question is addressed to the President of the Treasury Board. Can the hon. gentleman advise us whether sufficient trucks and drivers have been secured for the delivery of mail in Montreal? Further, can we be told when the government expects mail delivery to return to normal in that city?

Inquiries of the Ministry

Hon. C. M. Drury (President of the Treasury Board): As yet we have not completed the fleshing out of the plan in respect of the drivers or mechanical equipment.

An hon. Member: Flushing out?

Mr. Drury: I hope progress in an orderly way is being made. I would hesitate to attempt to forecast a date when there will be a complete return to normal conditions.

Mr. Macquarrie: I thought at the beginning it was rather thin. Could the minister now tell the House how many drivers are employed? Can he give us an interim report?

Mr. Drury: I think the number of new men is approximately 200 but I would want to check that figure and correct it if necessary.

TRANSPORT

U.S. NATIONAL SCHOOL BUS SAFETY WEEK—CANADIAN ACTION

Mr. Barry Mather (Surrey): I have a question for the Minister of Transport. Bearing in mind that this week, across the United States, an extremely useful traffic safety measure is being undertaken by the observance of National School Bus Safety Week, would the minister consider encouraging public support of a similar effort in our country?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I would be very glad to give all the support I could to a National School Bus Safety Week.

An hon. Member: A holiday?

Mr. Jamieson: I would not make it a holiday because of the added pollution as they threw more beer cans in the sides of the lakes.

Mr. Knowles (Winnipeg North Centre): School children?

Some hon. Members: Explain.

Mr. Jamieson: Who knows? I should like to say that early in May, since all members like to stay in Ottawa on Saturdays, I am inviting all the school safety patrols in Ottawa to attend a special safety parade on Parliament Hill. I hope you will all stay around and help us celebrate.

Mr. Speaker: Orders of the day. Order. Is the Minister of Indian Affairs and Northern Development rising on a point of order?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I would ask for the forbearance of the House so that I may reply briefly to an important question put to me last week by the hon. member for Winnipeg North (Mr. Orlikow). It is a short answer, Mr. Speaker.

[*English*]

Some hon. Members: No.

Mr. Speaker: The minister does not have unanimous consent to reply to the hon. member for Winnipeg North. Perhaps the minister might reply next week.

Mr. Trudeau: They do not want information.

GOVERNMENT ORDERS

CANADA SHIPPING ACT

AMENDMENTS RESPECTING COST OF MEDICAL AND HOSPITAL SERVICES TO CREW

The House proceeded to the consideration of Bill C-10, to amend the Canada Shipping Act, as reported (with an amendment) from the Standing Committee on Health, Welfare and Social Affairs.

Mr. Louis-Roland Comeau (South Western Nova) moved:

That Bill C-10, an Act to amend the Canada Shipping Act, be amended by deleting the words "designated by the minister" at lines 21 and 22, page 1 thereof.

He said: Mr. Speaker, I have already spoken on second reading of this bill and I made representations to the committee while the committee was studying this question. The amendment is very simple and it will not take long to explain once more. The situation is this. At present, the Canada Shipping Act provides that a sick mariner can only be treated by a designated medical practitioner. I have argued that the words "designated medical practitioner" must surely be out of date by now.

Some hon. Members: Hear, hear.

Mr. Comeau: These appointments were, surely, made several years ago; they were probably political appointments. This might have been the reason for improving wording of the kind we find in the bill, but at this point I suggest that any medical practitioner should be allowed to treat sick mariners coming off their ships.

[Mr. Speaker.]

There is one example I can give—I will repeat it, because I have cited it before. I have in mind the case of a sick mariner who lives maybe 50 miles from port. He goes ashore sick and he is treated by a doctor. We should remember that when he lands at the port he can be treated only by a designated medical doctor. When he reaches his home, 50 miles away, he is unable to receive further treatment under the Canada Shipping Act because the port practitioner is obviously reluctant to travel 50 miles to treat him. I say that any doctor should be allowed to treat these sick mariners wherever they live and that the phrase, "designated by the minister" should be eliminated.

• (12 noon)

I know what the Parliamentary Secretary will say in his reply. He will tell us that the bill is to be erased from the statute books within a few months. That is right. The government is proposing that when the medicare legislation comes into effect in all the provinces, this provision under the Canada Shipping Act will not apply. The mariners will be treated under the medicare plans of the various provinces. But this is not the point. The federal government is reneging on its responsibility in this connection. This is a responsibility which the government has accepted, historically. Now, it is simply passing on 50 per cent of the cost to the provinces. The federal government is saying that it will cover only 50 per cent of the cost of the service through its 50 per cent share in medicare. By making only a 50 per cent contribution they are reneging on their responsibility, since at present they pay 100 per cent of the cost of treatment.

This amendment is straightforward and simple. I contend that sick mariners should be treated by any doctor, regardless of port. I will have some things to say on the other amendments.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, it seems to me that the hon. member who has just introduced this amendment is concerned about what is apparently an administrative practice in that part of the country he represents. If the situation there, as he has outlined it, is indeed the fact, then I am in full sympathy with his attempt to eliminate the practice. But I suggest that it is an administrative practice and, therefore it is not necessary to alter the law.

With regard to how this particular part of the law operates in the part of the country

from which I come—and I have done a little checking into this since the matter was raised by the hon. member in committee—the idea of designating a physician is simply, as I understand it, to ensure that a physician is prepared to act to treat sick mariners in emergency cases. This does not in any way limit the right of the sick mariner to enjoy the services of the physician of his choice.

In one of the ports in my constituency where I checked into this matter it was made quite clear to me that the customs officer is free, if the particular physician who has been designated is not available at the time, to call upon another physician to attend the emergency. There is an arrangement made to have some physician there, at least on a standby basis, to treat sick mariners as required.

While I have every sympathy with the desire of the hon. member to eliminate any form of patronage appointments as far as the provision of medical services is concerned, it is for this reason that I do not feel I can support his amendment, which I think is really unnecessary. I think it is really a question of this member and other members, from that part of the country whom I noticed applauding him conducting a bit of a campaign to straighten out what may be an unfortunate administrative hangover from the past.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I want to make a few comments in support of this amendment. It has long been a principle in this country that people should be entitled to treatment by any physician they choose.

Mr. Pepin: Especially since 1963.

Mr. Yewchuk: This amendment simply reiterates this principle of free choice of physician. It is a good principle and I think it should be supported.

I suppose the government's objection to it may well be an economic one. Perhaps the government thinks it will cost less if a designated physician at the port provides what could be determined as initial treatment or an emergency service. If the citizen of another country is ill while the ship is in port and urgently requires medical treatment there should be a physician near the port to render such treatment. If the situation were such that the citizen lived some distance away from the physician and might require continued treatment of his illness for a month or so, he would no longer receive the coverage he received for the physician who looked after him at the port. There is much to be said against changing doctors in the middle of the treatment of an illness. As it stands now, the bill almost automatically requires that one physician commence treatment and another physician continue treatment for the duration of the illness.

The suggestion contained in the amendment is an extremely reasonable one and is in keeping with the democratic principle of freedom of choice, in this case of physician. Certainly it would be in keeping with our interpretation of a just society. I know this has now become an undesirable term for the government to use, and over the past few weeks government members have declined to use it. Nevertheless, we must keep it at the back of our minds because a lot of people supported the concept at one time.

Mr. Comeau: On a point of order, Mr. Speaker, is the parliamentary secretary not going to respond and explain whether or not the amendment is acceptable to the government?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): First of all, Mr. Speaker, I should like to thank all hon. members of the House and of the standing committee who have shown interest in Bill C-10. The government has tried to be as sympathetic as it can to all of their suggestions.

May I again state in this House that the Minister of National Health and Welfare (Mr. Munro) did instruct me to bring at the committee hearings on this bill an amendment along the line the committee members requested. It relates to clause 4 of Bill C-10, allowing mariners insured under the bill to obtain drugs at the cost of the insurer.

As far as the first amendment submitted by the hon. member for South Western Nova (Mr. Comeau) in connection with designated physicians is concerned, may I say in answer that treatment by a designated physician, or in large ports at a government operated clinic located on the waterfront, is provided for by the internal regulations and has been found to be satisfactory. Since the purpose of Bill C-10 is to phase out the provisions in Part V of the Canada Shipping Act as they become redundant for residents of Canadian provinces that introduced medical care insurance plans, there is no intention of increasing benefits in the last few months to the service that is being provided already. The depart-

ment designates physicians who become agents of the government and, therefore, responsible to it for carrying out the intent of the act, and also become responsible to the government as far as financial requirements and other procedures are concerned.

Without designation there would, in the view of the department, be no such responsibility to the federal government. Therefore, a totally new set of regulations would be necessary in order to establish procedures and standards to implement the act. Completely different arrangements would be necessary, and there is no intention of altering the existing arrangements to provide a completely different type of service during this phase-out exercise.

In most instances foreign sailors in large ports would not have sufficient knowledge of local physicians, for example, to make a logical choice of doctor. In the small ports where the majority of people treated are local residents, it has been customary to designate several port physicians, provided the physicians signify a willingness to do the work which is required by the government regulations.

• (12.10 p.m.)

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

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Some hon. Members: On division.

Amendment (Mr. Comeau) negatived.

Mr. Louis-Roland Comeau (South Western Nova) moved:

That Bill C-10, an Act to amend the Canada Shipping Act, be amended by striking out lines 26 to 30, both inclusive at page 1, and lines 1 to 4, both inclusive at page 2 thereof, and substituting therefor the following: "(c) 'port' means any port in Canada."

[Mr. Haidasz.]

He said: Mr. Speaker, this is also a very simple and straightforward amendment. I have already made my argument. Hon. members can read the evidence of the committee or my speech made on second reading. Port, as it is now designated in Bill C-10 means:

—any port in

(i) the Province of Quebec, Nova Scotia, New Brunswick, Prince Edward Island, British Columbia or Newfoundland,

(ii) the Province of Manitoba on Hudson Bay, and

(iii) the Province of Ontario on Hudson Bay or James Bay.

In my opinion that definition is almost ridiculous. I realize that the government does not want to increase these benefits because they want to phase out part V of the Canada Shipping Act. I will argue this later.

The point I wish to make is that the definition of "port", as contained in Bill C-10, has not been changed from what it was in the old regulations under part V of the Canada Shipping Act. For example, it does not take note of recent developments in the Arctic where we will soon have ports. There is nothing in this bill to cover the situation of a ship docking in an Arctic port. The same applies to the Great Lakes. Also, I do not think the Yukon is covered.

My amendment is very simple and straightforward. It simply says "any port". If my other amendment had been agreed to, it would have covered any doctor. This change would have been very simple and logical. If someone became sick, he would simply have to forward the medical bill to the government agency. There would be no complications. I repeat, this amendment is very straightforward. I hope the government will accept it.

Mr. Barnett: Mr. Speaker, if the hon. member had framed the amendment to cover the prospect of the development of seacoast ports on our Arctic shores, I would have been quite prepared to support him. I agreed with him when he raised this question in committee. I think this is something the government should certainly have in mind.

The act, as presently drafted, is designed to cover the seacoast ports of Canada and the operation of agreements covering sick mariners. As far as I can see, such agreements are unnecessary except in the seacoast ports of

Canada. I wish to point out that there are a good many other ports in Canada. For example, there is a port in the city of Winnipeg on the Red River. An agreement covering sick mariners would not be applicable to such a port. As matters stand, the port of Churchill in Manitoba is covered. In addition, any Ontario ports on salt water are covered.

As the hon. member has drafted his amendment, I do not feel it would be an entirely practical arrangement. While I appreciate the hon. member's motives in proposing this amendment, I regretfully do not feel I can support it as it stands.

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wish to make one further observation, Mr. Speaker. I think distinguishing between ports, as to whether they are fresh water or salt water ports, is highly irrelevant in terms of the matter now before us. I urge the government to give some consideration to this amendment because the question of a sick mariner is indeed important, particularly to the poor mariner who is the one most directly affected. If a sick man happens to be on a ship, it does not matter very much whether that ship is tied up at a fresh water port or a salt water port. The fact of the matter is that, invariably, he will be away from his home and family physician. Usually, he will not have community contacts so will not know the specialists in the area. All these circumstances would tend to create difficulties.

I suggest there will be administrative difficulties within the departments concerned, both federal and provincial. The acceptance of this simple amendment would go far to remove that type of difficulty. I urge the government to accept the amendment. As the hon. member for South Western Nova (Mr. Comeau) pointed out, it is a very simple one.

Mr. Haidasz: Mr. Speaker, I appreciate the comments and views expressed by hon. members with regard to this particular amendment. However, as I stated in this House during the debate on second reading of this bill, the entire Canada Shipping Act is being thoroughly studied. The Minister of Transport (Mr. Jamieson) has said that many amendments will be proposed to the Canada Shipping Act which may have to do with some of the points raised by hon. members. In view of this, it is the opinion of the department that we should keep the designated ports intact as at present.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Some hon. Members: On division.

Amendment (Mr. Comeau) negatived.

Hon. John C. Munro (Minister of National Health and Welfare) moved that Bill C-10, to amend the Canada Shipping Act, as reported (with an amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

Mr. Munro moved that the bill be read the third time and do pass.

• (12:20 p.m.)

Mr. Comeau: Mr. Speaker, I again rise. I am sorry to take the time of the House. I like these Fridays, Mr. Speaker. Perhaps I am the only one who is really interested in this bill because I do represent salt water fishermen and the bill was presented by a minister from a fresh water area. What struck me quite funny was the fact that I had an amendment similar to the amendment brought in by the department. In fact, I submitted my amendment to the Clerk yesterday and was advised that because it was exactly the same as the departmental amendment it should be retracted. I did, therefore, retract it. I must say I take a little credit for the amendment which is now on the books. My amendment was stolen, Mr. Speaker.

The point which was made on second reading and also twice today is that Part V of the Canada Shipping Act is to be phased out. It has been, and still is, my argument that in this case the government is simply reneging on some of its responsibilities because, as I say, the government has had a long-standing and historic responsibility to provide medical assistance to sick mariners. Now, the government wishes to eliminate the provision in respect of free drugs. The bill fails to provide for the care of foreign fishermen. This is something which historically we have always done. Several provinces in which medicare is

not yet in force will be particularly affected by this bill. We hear that New Brunswick, Newfoundland, Prince Edward Island and Quebec will enter the plan, but at present only the province of Nova Scotia in the Atlantic area is in the medicare plan.

Provinces which have medicare plans, because of the discontinuance of Part V of the Canada Shipping Act, are being forced to assume almost half the medical costs of a group of people in respect of whom the federal government formerly paid 100 per cent of the cost of assistance. Now, under this bill, the services are to be provided to fishermen under the medical care plans of the various provinces and the provinces will have to pay 50 per cent of the cost of such services, which traditionally were a federal responsibility. It would seem to me that the provinces probably will have enough difficulty trying to provide hospital facilities under this increased responsibility. This is another example of the federal government simply passing on the responsibility to the provinces.

Some hon. Members: Oh, oh.

Mr. Comeau: This is true. If the minister wishes to argue this point, I shall be glad to hear him. As I pointed out in respect of Canadian fishing vessels, practically all the fishermen have taken advantage of the services provided. Because of the high crew per ton ratio on fishing boats there has probably been an abuse of the services provided in respect of this inexpensive medical care, free drugs and so on. In some instances, fishermen probably place their entire families on the crew list in order that they may qualify for medical care. I agree that something should be done to correct that situation.

The amendments in Bill C-10 provide that service to sick mariners will not include any service to which any fisherman is entitled under a medical care plan. The department's main contention is that this service to sick mariners will be redundant if medicare is also available in the province. Under Bill C-10 there will be one major change. Whereas previously fishermen received free drugs under this program, this no longer is to be the situation other than those drugs administered directly to the sick mariner by a designated medical practitioner. This again is something about which I suppose I cannot do anything at this late date, although I have tried. It seems to me we are decreasing a service which traditionally has been provided to these people. The Canadian crews of coastal vessels have received this service in the past although I understand it has constituted only a small part of the program. The result of the amendments in Bill C-10 is to eliminate the service to sick mariners as medicare is implemented by the provinces.

However, there are many provinces which still have not signed an agreement under the medical care act. These include British Columbia as well as the Atlantic provinces to which I referred a moment ago. The result of this bill, therefore, will be that the service to sick mariners will be completely phased out. Departmental officials expect that existing clinics in certain ports will be phased out over the next year or so. But to my mind they are bound by international agreement to maintain a service for sick mariners in cases involving such things as venereal disease. I hope this service will be continued.

In the case of foreign vessels, the department argues that even though this aspect of the service makes money it is no longer required for modern shipping. This probably is a valid argument. However, although most shipping lines take adequate care of their crews and maintain adequate insurance policies, there is no guarantee that all ships will do this. It is still possible that the owner of a small shipping line or of an unaffiliated tramp steamer would prefer to abandon a sick crew member rather than care for him. I realize such occurrences have been few during the past century and that probably there is a valid point in saying that the service is not needed. However, there is no assurance that such situations will not occur again. In such cases the municipal or provincial authorities would be responsible for the sick man's expenses. There would be no way to collect from the ship owner. Therefore, because this possibility exists, and because federal involvement in this area over a century implies an historic obligation, I submit a case can still be made for a residual guarantee of federal responsibility.

One might accept a federal withdrawal from this service so long as the federal treasury would underwrite the cost of an indigent seaman abandoned in illness. However, I do not see such a provision in this bill. The actual medical services might be administered through normal community facilities, but the provincial government could claim the actual costs from the federal government. Perhaps this should be the situation. I have raised my objections to this bill and thank the House for giving me the opportunity to do so.

• (12:30 p.m.)

Mr. Barnett: Mr. Speaker, we reach the third reading stage of this bill conscious of the fact that it has come back to us from the committee in an amended form. I think it is important perhaps to clarify just what the change made by the committee signifies, and that has already been mentioned in the discussion this morning. In some respects this bill proposes a phasing out of the arrangement for sick mariners which have operated over a long period of years in Canada. There are two aspects to the proposed changes: one is to shift the financial responsibility directly to the owners of non-Canadian ships for the provision of medical, surgical and hospital care for the crews of those vessels. If I understand the proposal correctly, it places this liability but does not necessarily mean that the Canadian authorities operating under the terms of the Shipping Act will withdraw from any responsibility for a sick mariner if, in fact, he is left stranded in a Canadian port. In view of the explanations that were given to us about the growing trends around the world toward the adoption of various forms of medical insurance plans to which ship owners directly or indirectly contribute in their own countries, I for one am content that this particular amendment is appropriate at this time.

The other aspect of the bill has to do with the situation in respect of Canadian ships, and in particular with the effect of this bill upon Canadian seamen who are engaged in fishing. As I indicated at the committee stage of the bill, a good deal of concern was expressed by fishermen on the Pacific Coast of Canada that, as a result of the passage of this bill, they would lose their rights to benefits which they had enjoyed. There was an impression that they might lose some benefits which they had enjoyed if they become ill and require medical attention or hospitalization in U.S. ports. Following the introduction of the bill, the committee held its first meeting on the bill on February 10. This matter was examined and discussed by those concerned with the welfare of fishermen on the British Columbia coast, and it appears to me now that the effect of the bill will not be to deprive Canadian fishermen of benefits which they might have enjoyed in U.S. ports had it not been introduced. Therefore, the objections which I initially raised would appear to have been met by an investigation of the facts.

As I understand it, there is out-of-country coverage provided for hospitalization under our national hospitalization plan. In addition, if a province, in this case the province of British Columbia, is in the medicare plan, there is provision of medical services under the terms of that plan. As I understand it, the British Columbia medical plan, in line with the national provisions, provides coverage for costs incurred up to the level of the costs which would be paid for under the plan in British Columbia. This, I suppose, is about as far as one can rightfully expect Canadian authorities to go. There may be cases where costs are higher in a foreign port where some liability would rest upon the fishermen. This is what I understand the situation to be.

The other aspect of the matter is directly related to the amendment which was made to the bill in committee. I refer to the coverage of fishermen for medical expenses which are not covered by the medicare plan. I am happy with the fact that the committee, in its amendment, met the principal point which was argued by the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and myself at the committee stage when we met on February 10. The original bill specifically exempted, under the proposed Section 318A, any coverage of drugs if a medical plan was in effect, other than drugs administered directly to that sick mariner by a designated medical practitioner. As we all know, under the national medicare plan drug coverage is not provided and I am therefore glad that the way is left open for the optional arrangement to be made by a fisherman to cover himself for drug costs under the sick mariner provisions of this act, and under the scale of fees which would normally be payable. This may well be an insurance coverage which a great many fishermen will desire to obtain and continue.

So, in considering this bill at the third reading stage, I would like to say I am pleased that the department, on considering the discussion that took place in the committee, has agreed to this particular amendment for which we argued. For that reason, I am happy to support the third reading of the bill as it stands now.

Mr. Robert McCleave (Halifax-East Hants): This is one of those occasions when a member interested in a bill is thoroughly aroused by good, thoughtful speeches in the House of Commons. I think my colleague, the hon. member for South Western Nova (Mr. Comeau) has certainly aroused my interest to the point of participation with the two amendments that he tried to get through earlier. I think

the one relating to the designation by the minister of a doctor is worth examining again. I would like to examine it from two viewpoints. The first one is the relationship between doctor and patient. I suggest, since that is a professional relationship it is based, particularly from the standpoint of the patient, upon confidence in the man or woman who is looking after his medical problems. I suggest that for the ill seaman to have to go to the customs officer or to whoever's duty it is to point out which doctor is on the designated list, would have a very natural result. The poor, sick person thinks that the curing of his ills is in the hands of some government functionary. I suggest that this does raise a barrier, not in all cases but certainly in some cases, that is unfortunate and does not have to be there at all.

There is no good reason for adopting this course and I think there are several bad reasons why it is being adopted. I do not know why, even at this point, the minister does not reflect on what he is asking us to do in this legislation which otherwise, I suppose, merits support. It would be a shame if it had to be left to the institution of sober second thought down the hall to make a change which is, I think, very necessary. My point about the confidential relationship that has to exist between the person seeking professional advice and the person giving it is that there should be a freedom of choice by the person who needs professional advice. I say that that freedom of choice is at the very heart of the problem of the sick mariner.

• (12:40 p.m.)

The second point I want to make is that you are dealing with the international community when you are dealing with shipping, particularly when it is shipping over salt water. I realize that this bill is presented to us by a minister from a fresh water community, and is seconded by a minister who is also from a fresh water community. But these landlubber-minded gentlemen should not allow their vision to be restricted, in comparison with we who are fortunate enough to live by the salt water and who have the nobler and wider vision.

Many shipping crews now come from Taiwan or Hong Kong. Many of them come from Spain, and of course the other marine countries that are well known such as Norway, the United Kingdom and places like that. Liberia gets into the act too, but one does not call that a marine power; one calls

[Mr. McCleave.]

that a marine loophole. Panama is also in that category. The point I am making is that your ill seaman is not necessarily going to be speaking one of the two official languages of Canada. He may be speaking any one of 30 or 40 foreign languages.

He is ill, and he is taken to hospital in Halifax. There, somebody trots out the list of designated doctors for his treatment but in the yellow pages of the telephone directory he finds a doctor who is familiar with his language and to whom he can explain his belly-ache, his appendix problem or whatever it is. Sometimes, sir, it is very difficult to make a speech in view of the suggestions that come from one's own colleagues which never quite reach *Hansard* but which have a sort of paralyzing effect.

The sick mariner conceivably could have treatment from a doctor in the community where he is ill, who understands his language, yet he is forced to go to a designated doctor who may not understand his language. Therefore the whole probe of the illness, the symptoms and the like, has to be dealt with through an interpreter. I imagine that is the way it happens. Again, we have the ridiculous situation where you cannot have the proper professional-patient relationship for a man who needs help. Again, I plead with the minister to broaden his vision on this question. He is a professional man himself. In addition, he should bring a little bit of international thinking into this thing and see to it that the correction is made in this bill which otherwise, I gather, merits the support of the House.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have about four points to make on this bill, and I hope they are not too disjointed. The first one is a general observation that it is bad legislation. It is the type of legislation that causes the watchers of Parliament to ask us questions, "Why did you do that, and why did you not do this? Didn't anybody think about this, or didn't anybody think about that?" Twice in the space of the last eight or ten months we have had the supreme courts of our country question certain laws, and I suggest they questioned them because the legislation was not properly thought out and indeed was bad legislation. In fact, this legislation is bad because nowhere in it is there provision for our mariners who may happen to be in a foreign port. We have taken a unilateral step. What are the bilateral implications of that? What are the multilateral implications of that?

I am one of those people who, as mariners, have had to seek medical attention in foreign countries. I was always treated with courtesy by the country in which I sought it. There was never any question of the administrative processing of the cost, and no difficulty whatsoever. But now we have this government asking this chamber to approve the unilateral step in proposed new section 298A, which reads:

> The owner of every ship that is not a Canadian ship is liable for the cost of all medical and surgical treatment and hospital care provided in Canada to a person employed by him on that ship.

The question may have come up in committee, and I apologize if it was dealt with there, but to the best of my knowledge nowhere has the question of reciprocal action by countries in which Canadian ships find themselves from time to time been mentioned. It is true that in 1970 we do not have the mercantile fleet that we had 10 or 15 years ago, but that does not mean that Canada could not have merchant shipping in the future or that in the future this would not be a widespread and serious problem.

The second point I wish to make is to express amazement that we have amendments of this nature in front of us, particularly when the government is going to withdraw from this area totally. Why do they come before us? Is it because the government has nothing better to bring before us? Is this a priority when there are Canadians starving to death, when there is continuing disparity, and continued unemployment? Why do we spend the time of the House dealing with this bill which, as I have said, is bad legislation, when the time of the House could more properly be directed to matters that have some priority for Canadians?

To indicate further the grounds upon which I feel this is a bad piece of legislation, I wish to make a personal observation. In my opinion this is another indication of the government's total lack of concern for individuals. I can only imagine that the government is more concerned with having a tidy piece of legislation that with the individual, and it is that essential thing which marks the difference between myself and the government. I was going to say this marks the difference between myself and the supporters of the government, but I know there are some hon. members opposite who are concerned for individuals. However, one would never gain that impression from reading legislation like this, especially considering it in the context of the role which this House is supposed to fulfil in the lives of individuals.

It does not matter how small or large a group you collect, it is made up of individuals. When you have a piece of legislation that directly affects the well-being of an individual you have to be aroused, as my colleague from Halifax-East Hants (Mr. McCleave) said, and you have to participate in the discussion. On that ground along this is a second-rate piece of legislation. I wonder why this legislation is before us? I have asked, is it because the government has nothing better to do or because it has no other legislation ready to bring before us? I think that is a fairly serious charge. This is the principal point which brought me into the debate on third reading.

Now, I am afraid I must extend my remarks, Mr. Speaker. I come back and deal again with external relations. I hope the Parliamentary Secretary will find an occasion to deal with the international implications of our taking a unilateral step in this way. I would like answers to questions which I am sure have not been dealt with up until now. Hon. members opposite can laugh if they want. I am concerned about whether or not there were international negotiations. If there were, what contribution has been made to the debate to satisfy government supporters that this is not a unilateral step taken without concern for reciprocal arrangements in other countries?

• (12:50 p.m.)

We have not heard from the minister and there has been no comment from the Department of External Affairs in connection with this question. It appears that we have put ourselves into a situation that may have serious effects on the individual. Before members in the House could, in conscience, vote approval of this measure they would have to satisfy themselves as to what would happen to men sailing ships under the Canadian flag when they arrive in foreign ports. Geographical location has no relationship to illness and these seamen could become ill in China or Australia just as easily and quickly as at home. I suggest this is bad legislation, Mr. Speaker.

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

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Some hon. Members: On division.

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

Mr. Pepin: Mr. Speaker, may I call it one o'clock?

Mr. Deputy Speaker: It being one o'clock I do now leave the Chair until two o'clock this afternoon.

Mr. Monteith: Mr. Speaker, if I might make a suggestion I think item No. 76 could be disposed of in five minutes.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

RADIATION EMITTING DEVICES BILL

ESTABLISHMENT OF STANDARDS, APPOINTMENT OF INSPECTORS

Hon. Jean-Luc Pepin (for the Minister of National Health and Welfare) moved that Bill S-14, respecting the sale and importation of certain radiation emitting devices, as reported (with an amendment) from the Standing Committee on Health, Welfare and Social Affairs be concurred in.

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

Some hon. Members: Agreed.

Motion agreed to.

Mr. Pepin (for the Minister of National Health and Welfare) moved that the bill be read the third time and do pass.

Hon. J. W. Monteith (Perth): Mr. Speaker, I shall be very brief, but I should like to draw the attention of the House to clause 13 of the bill where, in the case of an offence, the onus is placed upon the accused. Clause 13 reads:

> In any prosecution for an offence under this act, it is sufficient proof of the offence to establish that it was committed by an employee or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence, unless the accused establishes that the offence was committed without his knowledge or consent and that he exercised all due diligence to prevent its commission.

This places the onus upon the accused to prove his innocence, something which has never been considered justice in Canada except by the Department of National Revenue which has taken this view for some time. I maintain that the onus should be on the prosecution to prove guilt and not upon the accused to prove innocence.

[Mr. Deputy Speaker.]

Some hon. Members: Hear, hear.

Mr. Monteith: Too much legislation is being brought before us in which the individual is losing his ordinary rights. In this particular case, the prosecution is given the opportunity to say "You are guilty". I cannot stress strongly enough the recent trend in legislation toward taking away the rights of the individual. I think this is completely wrong. Aside from that point, the legislation meets with my approval. When the matter was before the committee, unfortunately, either I was not a member of the committee or was out of Ottawa and I wonder if the Parliamentary Secretary could explain the amendment as reported by the committee.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the amendment in committee actually pertains to section 2 of Bill S-14 and deals with the definition of a radiation emitting device. The amendment was that radiation emitting device means any device which emits radiation. This would meet the point of view of many members of the House who wanted to know whether a colour television set which emits a certain amount of radiation would be covered by this bill. As far as the other point raised by the hon. member for Perth (Mr. Monteith) is concerned, it was discussed by the legal authorities of the department both when this bill was studied—

Mr. Monteith: Bureaucracy is taking over.

Mr. Haidasz: —by the minister and also in committee, and we were assured that all of the provisions of this bill are in order. Such fears as those expressed by the hon. member for Perth really should not be entertained.

Mr. Monteith: I entertain them all right.

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

Mr. Deputy Speaker: It being one o'clock, I do now leave the chair until two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

PROVISION FOR ESTABLISHMENT

Hon. Mitchell Sharp (Secretary of State for External Affairs) moved the second reading of

and concurrence in amendments made by the Senate to Bill C-12, to establish the International Development Research Centre.

He said: Mr. Speaker, we have before us a bill that was approved by this House on February 20 and has since been amended in the other place in two respects, as appears in *Votes and Proceedings* for March 24. I should first like to address myself to the amendment to clause 19. In approving this change, I understand the hon. senators were anxious to avoid the connotation of the term "charitable organization" used in the legislation as approved by the House. The terms was included in the bill simply to indicate the legal status of the centre for income tax and estate tax purposes and not to imply in any way that its activities in relation to the developing countries will be in the nature of "charity". The clause, as now amended, makes this legal reference quite explicit by quoting the respective acts. The centre's taxation position is thereby defined and protected, without the unnecessary implications of the term "charity".

In moving that this House concur in this amendment, I would commend our colleagues in the other place for their alertness and sensitivity in recognizing the undesirable reference of the original wording. Certainly, the House will agree that if international development is to be equated with charity, it will undoubtedly fail. For charity is often conceived as a vertical activity with the giver on top and the taker below. Development, on the other hand, must be considered as a lateral activity for the benefit and improvement of all parties. The reciprocal exchange of ideas and data made possible by research is particularly consistent with this lateral activity of international development. I am grateful to the hon. senators for noting this important distinction and I have no hesitation in recommending that we endorse the amendment.

Let me now turn to clause 10 (3), which was first introduced by the hon. member for Fundy-Royal (Mr. Fairweather) in the committee. It has now been amended. It is now proposed that two of the governors of the centre who are Canadian citizens may be members of the Senate or members of the House of Commons. As I understand it, there are several combinations which would be made possible by this proposal. There could be one member from either the House of Commons or the Senate, or there could be two, both from one chamber. Although the potential parliamentary representation on the International Development Research Centre Board is thereby doubled, I hasten to point out that the operative word in the amendment is "may" and not "shall". The proposal remains therefore permissive, not mandatory. This was recognized by the committee of the other place on Foreign Affairs from whose report I now quote:

> The Governor in Council, under this amendment, does not have to appoint any member of parliament —It is permissive.

Nevertheless, the questions I raised on third reading here in the House are of even greater importance to us now. Though I do not wish to repeat my remarks, I believe those questions and my reservations which were expressed to be even more cogent in view of the present amendment.

Surely, we do not wish the International Development Research Centre to be viewed as an institution requiring special measures for surveillance by our legislative bodies. On the contrary, because of its international character and the need to establish clearly its integrity and objectivity as a research organization, it is imperative that the autonomy of this centre be protected. The respect felt for it in the international centres of the world could be seriously compromised if two members of our legislative bodies were to be appointed and regarded as representing a special form of supervision unique to the centre amongst Canadian governmental institutions. Hence their role should be clearly defined before any such appointments are made, and until there is clarification the government does not intend to make any such appointments.

The composition of the Board of Governors of the centre, then, has been of lengthy and considerable concern to both the House of Commons and to the Senate. I can only assume that this attention reflects a growing awareness among all Canadians of the vital importance of international development. At a time when investment in foreign aid is diminishing among many of the major donor countries, it is particularly encouraging to see Canadian leaders in all parties and in both houses represent with such responsible care, attentiveness, and thorough deliberation the international concerns of the Canadian people.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I share the minister's view that the Senate has performed a useful function in ensuring that there is no connotation of charity attached to this important proposal.

I hope, too, that in the course of carrying out international development research we shall also avoid attracting the word "paternalism"; there has been too much evidence of a latent paternalism, at any event, toward the developing countries.

As to clause 10, perhaps it would have been better had the government shown the courage of its convictions and voted my amendment down. Despite the fact that the committee supported by a substantial majority the view I held, the minister has declared that he does not intend to make the appointment. So be it. The arguments have been put forward in the committee, as they were at another stage of the proceedings here. If the government does not like this proposal there is open to it a perfectly valid and legitimate way of getting rid of it, that is, by using its majority in a perfectly democratic way to toss it out. It seems to me it is somewhat hypocritical to accept it and then to point out that the wording is permissive and say that the government will not make the appointment.

I have one other thing to say. It was never in my mind to suggest that the parliamentary representatives on such a board should exercise surveillance. I had the odd feeling that among the 264 members of this House and the 102 members of the Senate there just might be people whose competence in the field of international affairs is such that they could make a useful contribution, like the other 19 or 20 members of this board, to the on-going work of international development research. If the minister feels this is beyond the realm of possibility, that is up to him. I remain convinced that Members of Parliament and Senators can make a useful contribution to this work. If the minister does not like the proposal and will not make the appointments, why does he not have the bells rung and get rid of the proposal now so that it will not clutter up the record?

Mr. David Lewis (York South): Mr. Speaker, two considerations prevent my hon. friend and myself from insisting that we follow the suggestion of the hon. member for Fundy-Royal (Mr. Fairweather), namely, that a vote should be called on the question whether this Senate amendment should be defeated. One of these considerations is the importance of getting this bill passed so that the centre can begin to function. Though he did not say so, I suspect the minister feels as we do on this point. I suspect the government has already been in touch with a number of people who

[Mr. Fairweather.]

are now waiting for the bill to become law before taking up their duties. If we were to defeat this proposal the bill would, I suppose, go back to the Senate and there would be further delays. In these circumstances I am satisfied merely to state our position briefly for the record, rather than to insist on a vote.

The other consideration I have in mind is the minister's firm undertaking not to make any appointments under this clause, thus ensuring that nothing will happen of a sort which I believe would be undesirable. When the proposal of the hon. member for Fundy-Royal first came before the committee he expressed it in mandatory terms. The words were: "One member of parliament shall be a governor..." After some discussion which, if my memory serves me correctly, I initiated, it was agreed that the word used should, at least, be "may" rather than "shall". I had grave doubts about the suggestion, then, even though I gave it reluctant support in the committee. I have graver doubts now, since the Senate wants a piece of the action. This is partly because of the opposition of myself and my party to the Senate as part of Canada's Parliament and partly because, though there may be some reason for the presence of an elected Member of Parliament on a board of this sort, I see no reason whatever why Senators, most of whom are members of God knows how many boards directing God knows how many large corporations, should be represented on a board of governors concerned with aid to developing countries. One has to be very polite when speaking of the other place but I think it was an excess of gall rather than an excess of zeal which made them suggest an amendment such as they have produced. We are thoroughly opposed to it. It is about time members in the other place knew they were appointed by the government and that there are things they ought not to be pushing themselves into. This is one of them.

• (2:20 p.m.)

I agree entirely with the uneasiness that the minister feels, and which my colleagues and I feel, about introducing this proposal in connection with an International Research Development Centre when a similar proposal has not been made with regard to any other Crown corporation. My information is that it is already the fact that some of the representatives of developing countries are wondering precisely whether this parliament is so anxious to have direct connection with the board of governors of the centre because it wants some direct political and Parliamentary

supervision of the centre. I think it would be an egregious error to make any appointments under this clause.

I was delighted to hear the minister say in a forthright way—may I interject that forthrightness is a rare thing in a Minister, and one is delighted with it not only in view of the subject but also because it is there—that he will not make any appointments. I hope that at the earliest opportunity we will be able to discuss the whole question of a parliamentary member being appointed to boards of crown corporations to see whether this makes any sense at all.

I look to this centre to make a really valuable contribution to the problem of development in the less developed countries of the world. It will be able to do that only if it is a genuinely international body, if its entire orientation is toward developing countries and not toward Canada or any other developed country. In my estimation it will do this only if the board of governors includes in high positions, as well as among the membership of the board, fair representation from the developing countries. It will do this only if the priorities that the centre sets for itself are priorities that are agreed upon by the developing countries.

Finally, I think it will do the job of being a real stimulus to development in our sister countries that are not as fortunate as we are if much of its work is done in those developing countries—obviously, not all of them—and done in collaboration with institutes of research and development in developing areas of the world. It is with that approach and with that orientation that we enthusiastically supported this idea and that the committee of the House accepted some other changes to the original draft that sought to underline the international character of the centre, some of which changes I brought to the attention of the committee. I hope that the entire approach of the centre will be along that line.

There have been reports that the government is asking a Dr. Hopper to become president of the centre. I am informed by people who know him that he is a very able and sensitive person. I hope that he will agree to serve and that the government will be able to persuade him to do so. I hope that in its choice of vice-president and members of the board, the government will be as careful in its selection as the suggestion that the government is seeking Dr. Hopper for the job of president indicates that it is being careful in filling that position.

I do not intend to support the amendment to clause 10 of the bill. Although I think it is an undesirable amendment, I do not intend to take the time of the House by suggesting a recorded vote. I will yell "On Division" loud enough for Your Honour to hear me; I do not want to hold up passage of the bill.

As to the other amendment, it is obviously a desirable one. It achieves the same purpose that the original clause 19 had in mind, and does so in language that contains nothing offensive. Therefore, I certainly support the amendment on behalf of my colleagues. I sit down now, saying that if the Senate keeps on pushing itself into legislation in this way, the time may come soon to start an anti-Senate campaign that will be even more vigorous than it has been for several years.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I also spoke earlier, before the bill was sent to the Senate, and I will try and restrain myself from repeating what I said at that time.

Mr. Macdonald (Rosedale): Hear, hear.

Mr. Anderson: The President of the Privy Council (Mr. Macdonald) obviously heartily agrees with that approach.

The first amendment that the Senate has introduced is basically a tidying up amendment, and once more we can thank the Senators for taking the time and trouble to correct something that perhaps the committee of this House overlooked and should have picked up earlier. Indeed, this is the type of thing—a very small thing, I might add, but nevertheless precisely the sort of thing—that the Senate is meant to do. While I personally have doubts about the value of the Senate, it is nevertheless nice to know that, at least in this regard, Senators are doing their job.

Mr. Lewis: They have nothing else to do.

Mr. Anderson: In any event, I accept the amendment quite happily.

The second amendment gives me a great deal of trouble. Since I feel that the hon. member for York South (Mr. Lewis), who spoke before me, expressed himself very well, I should like to adopt his approach. He pointed out that while he has no intention of forcing this matter to another vote which might send this particular bill back to the Senate, the amendment is nevertheless a bad one. I agree.

We have a curious situation here. A committee of this House put in an amendment to

a bill with great reservations, as anyone who was on the committee knows. We struck out the words "a member of the House shall be appointed" and put in the words "a member of the House may be appointed", which could be done in any event without this amendment. We added superfluous language to the bill in order to indicate that, perhaps under certain circumstances, it might be a good idea to appoint a member of the House to this board.

Following that, the bill went to the Senate, and the Senators said that, "since this House thinks one elephant is a good thing, we will have two or three". The Senators are acting very much like the proverbial Hollywood director of the twenties, who thought one elephant was a good thing, a whole herd of elephants was a great deal better.

It is quite clear that the Senate have introduced an amendment which would result in the Senate insisting, if a member of this House were appointed to a board, on a Senator being appointed as well. That is a bad approach. This position is not a plum or a nice little job to be handed out to a member of the Senate or a member of the House simply because we think if would be nice. It is a working job, which needs a qualified person. Anybody reading the words of the Senate amendment will realize that the Senate amendment is motivated by the wrong approach. This is the wrong type of amendment to insert in the bill.

The dilemma described by the hon. member for York South is that if we vote against the amendment we will tie up valuable time in sending the matter back to the Senate for reconsideration. The matter would then have to return here for further debate. Therefore, it was with great pleasure that I heard the Secretary of State for External Affairs (Mr. Sharp) say this afternoon that he intends to regard these words, which include the word "may", as permissive only. He will be governed entirely by that. Indeed, he went further and indicated he has no intention of appointing either a member of this House or a member of the Senate to the board without very careful consideration. I think this is a wise attitude in the light of the Senate amendment.

The committee of the House made a change that was very tentative and permissive. We realized that there would perhaps be occasions when it might be desirable to have a member like the hon. member for Red Deer (Mr. Thompson), who has had great experience in the field of international development, sit on this particular board. The bill was sent to the Senate and they clearly misread our intentions. Now, the bill has come back to the House, and by a decision of the minister, who has taken a very firm stand on this question, we are back to the point from which we started. It will, therefore, do no harm to leave this particular clause in the bill. Ideally, it would be better to scrub the whole thing at this point, and get rid of it. However, the procedural difficulties that we are faced with will make me, like the hon. member for York South, keep my mouth closed when the amendment comes to a vote. I do not intend to vote for the amendment.

However, I think the principle that we introduced in the committee should not be entirely lost, even though the Senate has unfortunately treated this matter as it should not have been treated. I still feel that the original amendment proposed by the hon. member for Fundy-Royal (Mr. Fairweather) had certain merit. Not every board should have a Member of Parliament on it. Neither should every commission. However, there are occasions when the service of a member on such a board, commission or other body might be desirable.

• (2:30 p.m.)

In putting forth this amendment in committee, we simply raised the suggestion that perhaps this was an area where a member might be appointed. I hope the fact that the minister has quite rightly decided, in the light of the Senate amendment, not to appoint members of Parliament to this particular board will not result in the idea being abandoned. I hope in future, under certain circumstances, the government will reconsider, and regard Members of Parliament as first-class citizens, just as able and capable of being appointed to boards as any other citizen in this country, or as in this very particular case a citizen of any other country. I do not think we should be barred from such service just because we hold office here. I hope this unfortunate development which has taken place with regard to this particular bill will not result in the idea being lost for the future.

Mr. Thomson: Will the hon. member permit a question? Where will a Member of Parliament find time to serve on these boards?

Mr. Anderson: The hon. member has asked where a Member of Parliament will find the time. If we were not serving on committees of the House, we would probably say that we do not have time for committees. Some hon.

members make speeches. The Leader of the Opposition (Mr. Stanfield) speaks frequently throughout the country on a number of subjects. The Prime Minister (Mr. Trudeau) and ministers of the crown do the same. Members of Parliament can make time to do such things. Some Members of Parliament manage to carry on a business or farming activity in addition to their service in the House. There is the possibility that some members could find enough time for service on one of these boards. The hon. member may disagree, but I have a different opinion.

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

Some hon. Members: On division.

Motion agreed to, amendments read the second time and concurred in.

Mr. Macdonald (Rosedale): Mr. Speaker, there have been discussions among the representatives of the parties. It has been agreed that we should now proceed to private members' hour, proceed with private members' business for one hour and rise at that time.

Some hon. Members: Where's the legislation?

Mr. Macdonald (Rosedale): I might point out to hon. members that there are about 30 pieces of legislation now before the House.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

[*Translation*]

PRIVATE MEMBERS PUBLIC BILLS

CANADA DAY ACT

MEASURE TO SUBSTITUTE "CANADA" FOR "DOMINION"—REPORT STAGE

The House proceeded to the consideration of Bill C-29 (Amended title: An Act respecting Confederation Day), as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

[*English*]

Mr. Deputy Speaker: Order, please. In the event that these amendments might come forward for a vote later this day, I might make the following suggestion, that motions numbered 1, 3, 5 and 7, which were first received in order of time, be given priority, grouped for purposes of debate and disposed of in one division, if required. Since motions numbered 2, 4, 6 and 8 propose the same question as do motions numbered 1, 3, 5 and 7, those motions in effect will be disposed of at the same time. Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: I will now put motion No. 1.

Mr. Colin D. Gibson (Hamilton-Wentworth) moved:

That Bill C-29, respecting Confederation Day, be amended by substituting in Clause 1 the words "Canada Day" for the words "Confederation Day" at lines 4 and 5.

Mr. Bell: On a point of order, Mr. Speaker. The public bills hours has been moved ahead this afternoon and we would like to put a reservation of a procedural nature on the debate. We were preparing a procedural argument on this bill. What would happen to it should it take the full hour this afternoon? There seems to be a disagreement among the procedural experts of the House as to whether it would drop to the bottom of the list. We are quite agreeable to going ahead with it, but I would like to put a full reservation on this subject. I hope that we will be given an opportunity at some stage to argue that this bill should not drop in the regular way to the bottom of the list should it be talked out this afternoon.

Mr. Macdonald (Rosedale): Mr. Speaker, that is a very legitimate concern on the part of the hon. member for Saint John-Lancaster (Mr. Bell). If this stage of the proceedings has not been disposed of by the end of the hour this afternoon, I suggest the bill should retain its place on the Order Paper so that it may come up first at the next time public bills are called. Perhaps if the House is agreeable, that could be made an order, and hon. members could present their arguments at a later stage in the proceedings.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, I take great pleasure in moving the amendments to Bill C-29, moving that the name of our national holiday be Canada Day as originally proposed by a respected senior member of this House, the hon. member for Brant (Mr. Brown), one of the most popular and respected members of

this House both in seniority and experience. His idea was Canada Day. Let us preserve that idea. Let us crown this member's fine career to this stage at least by honouring his idea which is the result of many years of experience in the House of Commons.

My objection to the name Confederation Day is based on the fact that the word "Confederation" does not have any real definitive significance for Canadians. It does not reflect our history. In fact, to quote that noted constitutional authority, Maurice Ollivier:

> Confederation applies to sovereign states which, without losing any degree of their sovereignty, unite for certain specific purposes, and at the same time, reserve the right to abandon this union, which is valuable only so long as it serves their purposes.

Dr. Ollivier gives as an example the Confederation of the Rhine, which existed in 1805 under the protection of Napoleon and was dissolved several years later. We also have the example of the Confederate States of the United States of America which have a different background from the colonies of Canada which became a Federation by Act of Parliament of the United Kingdom.

I wish to thank the hon. member for Sherbrooke (Mr. Gervais) and the hon. member for Lapointe (Mr. Marceau) who have both expressed themselves forcefully in support of this motion at the committee stage. As Members of Parliament from Quebec they have expressed the same view as I have, a member from Ontario, that no name compares in suitability to that of Canada Day.

• (2:40 p.m.)

A recent poll conducted by the Ottawa *Citizen* revealed that a large majority of the people favoured the name Canada Day as opposed to Confederation Day. I recall an occasion in my area last July when 10,000 people, young and old, assembled at Stoney Creek for a Canada Day celebration. Although it was unofficial, it was official in their minds. With the co-operation, support, friendship and good will of this House of Commons this measure could be passed this afternoon. I hope we can take a new constitutional step forward by passing this amendment in respect of Canada Day. The spirit and soul of our nation demands response to a strong will on the part of the Canadian people to develop our significance as a united nation. One method of so doing is to unite behind this amendment today. We have the opportunity today. It is a rare opportunity and a wonderful chance for those of us who are present in this House today to lay stress on unity by creating a change in Canada by unanimous consent. If any member should dissent, may I point out that the cause will be delayed. This bill will go to the bottom of a large pile of bills and never return here for months.

I appeal to all members of the Conservative party to unite with us in respect of this amendment. I understand there is a general disposition on all sides of the House to pass the amendment. If toward the end of the hour any member should continue talking so that a vote may not be taken on this bill, the unity which seems to exist in this House today would be destroyed. If toward the end of this hour this should happen we would be losing a real opportunity for co-operation. When I look across the way and see the hon. member for Halifax I think of the history of that part of Canada. When I see the hon. member for Hillsborough (Mr. Macquarrie) I think of the tremendous historical significance of his part of the country.

Some hon. Members: Hear, hear.

Mr. Gibson: I think of the great history that learned gentleman represents. When I think of these members, who are strong Canadian Members of Parliament, I cannot help but feel that there will be a disposition to pass this bill.

An hon. Member: What about the hon. member from Edmonton?

Mr. Gibson: Edmonton, too. I think of the fine people from Edmonton to Victoria. It is with a real feeling of national pride that I stand here today.

Mr. Osler: Mr. Speaker, would the hon. member permit a question? Does the hon. member recall that this is the one-hundredth anniversary of Canada becoming Canada, and that we became a three million square mile country instead of—

Mr. Deputy Speaker: Order, please.

Mr. Brewin: Mr. Speaker, may I ask a question?

Mr. Gibson: Certainly.

Mr. Brewin: I should like to ask the hon. member whether he would direct his honeyed words beyond Halifax to this corner of the House.

Mr. Gibson: Certainly, Mr. Speaker. As I look at the learned member for Greenwood, who is always eloquent during hours like this,

and as I look around this chamber at other hon. members, it occurs to me that I have never seen this House so united. It would seem that every member of this House wants Canada to move. If we go along with this amendment, we will be helping this country to develop constitutionally and we will be a part of the process of change in our Canadian history. Every one of us here today, in a small way, will play his part by simply wanting to pass this bill this afternoon.

Some hon. Members: Hear, hear.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, through you, I wish to assure the hon. member that I, at least, warmly support this motion. The hon. member may have noticed that a similar motion appears in the name of the hon. member for Winnipeg North Centre (Mr. Knowles). Had I any doubt before about the propriety of this motion I would have lost it immediately upon learning that this motion, in effect, is co-sponsored by the hon. member for Winnipeg North Centre.

We are faced with a choice between the word "Confederation", which as has been well pointed out by the hon. member is inappropriate to our particular status, and the word "Canada". I hope my brand of nationalism is crossed with a sense of the importance of international developments. I am not by nature a chauvinistic person. It seems to me, however, when dealing with this historic day which represents the foundation of our country, particularly at a time like the present when we are rocked with a certain amount of difficulty and doubt, we should have no hesitation in choosing the term "Canada Day" rather than "Confederation Day".

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, despite the very nice things which have been said by the hon. member for Hamilton-Wentworth (Mr. Gibson), I regret that I must stand up and say it does not seem to be necessary or desirable to make this change. We constantly see our historic past being chipped away, not deliberately, but more or less by natural erosion. I think the people who suggested the term "Dominion of Canada" at the London conference and at the Charlottetown and other conferences when the nation Canada was formed did not make a mistake. The word "dominion" is a quotation from the bible—"dominion from sea to sea". It has honourable origins. The statement has been made that somehow or other the word "dominion" implies not complete and full sovereignty. It does not necessarily have that connotation except to those who deliberately read such an interpretation into it. This subject was discussed at length before the committee. I recommend to hon. members proceedings Nos. 14 and 17 of the committee, in particular the testimony of Mr. Eugene Forsey. The matter was discussed at length and it was pointed out quite clearly that, while some people had the impression that the word dominion somehow meant that the nation was not fully sovereign, this is an incorrect view.

Should we go along with the suggestion by some people that we should abolish Dominion Day and thus endorse this incorrect view? That is the question before the House. I do not think it is necessary or wise to go along with or endorse this incorrect view. I think we should state flatly that there is no need for this country to constantly search for new ways to demonstrate we are united, or not united, or that we are a sovereign country or something else. We talk too much about something we should take more for granted. I think we should grow up and accept the fact that this particular term, which comes from our rich history, was brought in by no other people than by our excellent Fathers of Confederation whose faces stare grimly down at us from so many pictures in this House. I think we should recognize that this word, and this day, are connected with the historic event of Confederation when the first provinces joined together. It does not, to my mind, in any way imply that we are not united Canadians, as I gather others who have spoken before we believe.

The term "dominion from sea to sea" has a biblical connotation. The implication is that we are united right from the Pacific to the Atlantic. Although I quite agree that one should attempt at all times to encourage a healthy spirit of nationalism in Canada, I do not think in the expression "Dominion Day" there is anything that would take away from the spirit of unity. I think this has a rather attractive connection with the days of 1867 and indeed before 1867 when this question was discussed at length. I could of course carry on at much greater length on this point but I understand another member who represents an area where this particular decision was taken wishes to speak in this debate. I will shortly defer to him.

• (2:50 p.m.)

I simply wish to say that personally I do not approve of this change. I do not think that the substitution of the word "Confedera-

tion" or "Canada" for the word "Dominion" would do anything but change something which has served us well. As I said earlier, there are people who misunderstand this particular word. I think our job should be to go out and point out to them that they are wrong in their understanding. As I see it, our job should not be to endorse their view and to change this interesting semantic connection with the earliest days of our country. What we should get back to is the spirit of a century ago. I say this, thinking ahead to the Quebec election where, for the first time, an organized and fighting separatist party has emerged with a fair chance of getting a good number of votes and of seats. What we should do is get back to those days when people realized that this country would not be perfect and that it would have difficulties, yet nevertheless decided to unite and cast their lot in together.

I think that changes such as this one do not encourage us to look back to those days when this country was born. It is all too easy to say that Canada is not really a viable nation. This is wrong. We should look back to the tremendous strains which were put on this country over the last century, the tremendous obstacles and difficulties that were overcome in 1864 and 1867, and realize, by looking backward, that the present difficulties are perhaps minor compared with those faced by our people a century ago.

I regret that I cannot agree with this suggestion of my hon. friend from Hamilton whose enthusiasm I admire greatly, or the suggestion of the hardworking member for Brant (Mr. Brown). I do not believe that the day on which we celebrate Confederation, namely Dominion Day should have its name changed.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, for a while I thought we were getting into something like a love-feast. I was much flattered by the generous remarks of the hon. member for Hamilton-Wentworth (Mr. Gibson), but I must say that while I was charmed and delighted by his compliments I was actually more impressed by the arguments of the hon. member for Esquimalt-Saanich (Mr. Anderson). For a moment I thought, when the hon. member for Hamilton-Wentworth was referring to me, that he was suggesting that in some way I have become a museum piece. It made me feel terribly important because I understand that yesterday when I was on my way back from my constituency and a few minutes late in arriving in the House, a minister noted that the country was momentarily bereft of my services. In this place, such things could go to the head of a normally modest person!

I have been interested in this matter for a long time. I think it is well that we look at these things because the mark of a civilized society is the interest of its members in intangibles. In fact, I remember a very learned anthropologist coming to the conclusion that the only difference between a civilized group of people and an uncivilized one was that the civilized people believed in symbols or baubles and that they found something beyond the purely intrinsic to which they gave social value. So it is fitting that we discuss our national birthday, its significance, and it is fitting that we discuss ways whereby we can improve and enrich the celebration of our national birthday.

The fact that I thoroughly agree with the hon. member who has just spoken does not mean that I think there is no value in our canvassing other suggestions, and I too have the highest regard for the person who in this session brought to our consideration and deliberation the question of a change of name for our natal day. Birthdays are important to individuals. It is the one day in families where birthdays are celebrated on which a little extra attention is given to the person who is recalling that important event, his day.

We have reasons for celebrating July 1, and they have been touched upon. Something was consummated on that day, something that is very unique and very important. I appreciate the reference that was made to the city of Charlottetown which I have the honour of representing and which proudly and properly calls itself the cradle of Confederation, because it was in that city in 1864 that men of goodwill from the various colonies of what was then called British North America came together, with reasonableness, common sense and a regard for the problems, interests and preferences one of another, and began the process of confederating those colonies.

As Sir John A. Madonald said more than once, practically everything that was finally agreed upon in a formal way had in fact been informally agreed upon at Charlottetown in 1864. That it took three years to give formality to this indicates, as the hon. member for Esquimalt-Saanich pointed-out, that it was not by any means an easy process, indeed that it was an extremely difficult one. I think we have been remiss, as we Canadians so often

have been about our heritage, in not praising sufficiently the great men who accomplished a remarkable achievement in nation-building.

We talk about Cavour, about Bismarck and about other great men, but our founding fathers, in a uniquely Canadian way—perhaps a plodding, unexplosive and unrevolutionary way, but in a uniquely Canadian way—achieved the birth of a new country over great difficulties, a country which has survived through many difficulties and on which there have been stresses and strains since July 1 when it was created.

Today we are always looking for something unique, something that is ours. We are fretting about losing our cultural heritage and our distinctive identity. It seems to me we strengthen our present by recalling and glorifying—I do not hesitate to use the word—the past. Sometimes I am told that we must have a new name for our national day because if we use the word "dominion" we are going back to the past. How in heaven's name can you celebrate a birthday without going back to the date of birth? It has always struck me as preposterous.

The amendment today refers to the substitution of the name Canada Day for Confederation Day. I think that the use of Confederation Day was an interesting suggestion but it recalls the process of confederating, the getting together of the colonies or provinces. But the product of the process was dominion, a new nation brought into being, and I think it is more appropriate and fitting to recall the product which emerged, which has remained with us and which we all hope will continue as the heritage of our founding fathers.

• (3:00 p.m.)

I never believe that one is very thoughtful or productive if he digs in against every suggested change. The man who is eternally the champion of the status quo is not likely to do too much for his contemporary society. I remember reading a humorous report about an old, old man being interviewed by a newspaper reporter. On those occasions they always ask such an old man what is his secret of long life: if he is one kind of chap it is his quart a day, and if he is another kind of chap it is that he did not smoke and did not drink. The reporter said to this old man, "I suppose, sir, in all your long life you have seen many changes". "Yes," said the old man, "and I was agin every one of them." But this is not my attitude. If change is improvement, if change is progress, if change is betterment of course you opt for change; but not for change for the sake of change, not constantly looking for something a little different just because it is different.

To alter this symbol and to change that name, to remove that title and put something else in its place is not of itself productive. There is meaning in the expression "dominion". The hon. member has referred to the biblical background. Since Maritimers are perhaps in the forefront of the righteous, it is not surprising it was a Maritimer who was reading the Good Book, and he came to Psalm 72.

We have it on our coat of arms; as we enter this building we can see engraved over the doorway, "The open sea is at her gates, Her gates both east and west." Recently I was reading a speech Sir Wilfrid Laurier made many years ago on a Dominion Day, and he closed his magnificently eloquent speech by simply quoting those lines. This surely symbolizes Canada. I think it is appropriate that I from the east, where it all began, should follow a member from the west; this is symbolic of all the great expansion across this country. This is what "dominion" means; it is the extension of a united government.

I have a feeling that many people are a bit hung-up on semantics and they think it is domination we are talking about. It is not that at all. We went through the same thing, not personally but historically, during the First World War. The propaganda of the Allies was that "Deutschland Über alles" meant the Germans wanted to be the champions of the whole world. But what it meant in the national anthem in the more decent days of Bismark was that the fatherland was more important than its components. This is what the expression "dominion" involves. The new entity was more than the sum of its parts, and certainly more than any of its parts. I think this is the kind of thing we want to evoke in our own hearts and the hearts of our countrymen as we celebrate our national day.

They say that people from small communities are more emotionally attached to them than people are attached to big communities. We are indeed sentimental about small communities. Lord Tweedsmuir told us in Charlottetown long ago that there was something about small countries that drew their people to them. He said that perhaps because a country is small it is easier to carry it in your heart. I would always hope that my emotional attachment to Prince Edward Island—and as

a highland Scot we are filled with sentiment and emotion and are not as practical as we might well be in the marketplace—will never supersede my loyalty and attachment to the dominion. It seems to me that if that is not the case we are not going to hold together.

I am always impressed by the preamble to the British North America Act:

> Whereas the Provinces of Canada, Nova Scotia, and New Brunswick have expressed their desire to be federally united into one Dominion—

Someone made reference to events that may come, that may cause us concern and research ing of values. But it is the desire to be united that is very important. When that desire is gone there is no name, no title, no slogan that will be sufficient to encompass the reality. But in that preamble there is another reason why the name Canada Day is quite inappropriate for our national birthday, because the preamble says:

> Whereas the Provinces of Canada, Nova Scotia, and New Brunswick—

There we are enumerating the parts which formed the new entity. Our ancestors in Prince Edward Island, New Brunswick and Nova Scotia did not invite the Canadians to Charlottetown, did not come up to Quebec and did not go to Westminster with them to be submerged into or subsumed under one of the existing provinces, namely, Canada. I say this because the new title, the Dominion of Canada, signified and typified a new political entity. To call it Canada today would be stepping back and picking up the name of one of the constituent parts. I think it would be a very backward step, and here I am being helpful to the people who are supporting a government which is having a little trouble identifying with the east and the west, because the country is a great and broad country. It is not just that part which used to be called Canada East and Canada West. It is a new community and a great community.

I think, too, that those who are concerned about the idea that there is something antique and colonial about this should recall that it was under the title of "dominion" that this country not only achieved its own fully recognized independence but led—and not always is Canada able to lead on the international scene; not always is that position available to us. But in the days of Borden, Canada was in the forefront of asserting its own independence. If we had anything like a declaration of independence it would be the Statute of Westminster, and there are plenty references to the word "dominion" in that particular declaration of our independence.

Mr. McGrath: Mr. Speaker, would the hon. member permit a question?

Mr. Macquarrie: Certainly.

Mr. McGrath: I hesitate to interrupt the honourable and learned member, who is a noted Canadian historian, but is he not aware that in the same Statute of Westminster, Newfoundland was also declared a dominion?

Mr. Macquarrie: I am actually aware of that, Mr. Speaker, but it does not force me to abandon either my thesis or my emotional conviction. There was a time when Newfoundland, as the ancient dominion, asserted great leadership, but I know of no historical document which would indicate that the leadership in constitutional development, from colony to independence, gave primacy to Newfoundland over Canada. But I am sure that Sir Robert Borden was well aware of Newfoundland. In fact had things gone a little better at the time, Newfoundland might have come in with the rest of our dominion at that time rather than prolonging their marriage, regrettably I think, for another 30 years.

Mr. McGrath: Shame! I am surprised at the hon. member.

Mr. Macquarrie: I think my colleague misses the thrust of my welcome toward the ancient dominion. I also believe that this suggestion of Canada Day is not a very artistic one. I do not want to be overly critical, but I think it confuses what exists among many people in Britain, in Europe, and probably in other parts of the world—a difference between a name day and a birthday. There are many people who have two celebrations. It is fortunate, I suppose, when you have a name day and that is a celebration, and you have a birthday which celebrates only one event, obviously your birth. I think there is confusion here and it will be a preposterous suggestion to make to other countries. I can imagine an American going around on July 4 saying, "This is United States Day", or the President of France on Bastille Day saying, "I am celebrating France Day" or Mao Tse-tung saying, "This is China Day".

• (3:10 p.m.)

In these efforts toward something new there is a danger of losing something valuable. I say this with regret because I have the highest

regard for the proposer of the original bill and for the man who is trying to get us back to that original bill today. I notice that the committee did not leave much of the original bill intact, except the number.

I hope this House will not adopt the suggestion but will cleave to something that is significant and unique to Canada and continue to celebrate something that was done in 1867 with more hope, confidence and unity than ever before. That is, the creation of a dominion proud, free and independent, one which we hope will remain united and strong. Let us not be afraid to use that word "dominion" which marks our independence, recalls our birth and gives all of us in all parts of this House and from all parts of this country the opportunity to work together in a free and independent nation created by those who were in this place before us.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to join briefly in the discussion of Bill C-29 and to express to the hon. member for Hamilton-Wentworth (Mr. Gibson) who moved this amendment, my appreciation of his concern and my awareness of the sincerity of his efforts to bring to the attention of the Canadian people the significance of the celebration of our birthday. The original bill is deserving of equal treatment and consideration because it voices concern, and as long as there is this concern the well-being of Canada is protected.

In all fairness I must join my colleagues, the hon. member from Hillsborough (Mr. Macquarrie) and the hon. member for Esquimalt-Saanich (Mr. Anderson), and indicate to the hon. member and to you, Mr. Speaker, that I think it is rather unnecessary that we are here this afternoon dealing with the name of the birthday of my country. I share the views and fears of some hon. members who have spoken this afternoon, as well as the views and fears indicated by some of my constituents in regard to the change of name.

In the last few weeks I have studied the meaning of the word "dominion". Not being a distinguished historian, I consulted the Concise Oxford Dictionary and with your permission, Mr. Speaker, I should like to read the definition given there:

> dominion, lordship, sovereignty, control; domains of feudal lord, territory of sovereign or government; Dominion of Canada, name given to Canadian colonies united 1867; Dominion of New Zealand, title given 1907; Dominion of Ceylon, 1948.

In law it means right of possession. The interpretation in law is that the possessor possesses what is in his possession. But this country is ours, mine, and nobody needs to remind me on July 1 that the name of the country whose birth I am celebrating is Canada. I do not need to be reminded by the amendments before us that on July 1 we are celebrating the anniversary of the confederation of the parts. I think we should recognize the danger of chipping away at those things which are meaningful to most of us.

The hon. member for Hillsborough is correct when he says that Canada is not any of its parts, but the Dominion of Canada is something more than the sum of all those parts. It is manifesting itself this week in the fear, rightly or wrongly, of whether we will have a country a week from today.

An hon. Member: Not a dry eye in the House!

Mr. Forrestall: However, it is not in the context of what is happening in one of the provinces that I want to make my remarks this afternoon, Mr. Speaker, though it does point out the necessity of maintaining our identity as a nation. It seems to me rather important that we not turn our backs on the few tangible symbols that have withstood the pressures of 100 years.

Regretfully, I must indicate to my hon. friend that I think his amendment is redundant. I think it is a frustrated desire to do something worth while. I only wish he had directed his efforts to matters a little more productive of national unity rather than to a symbol which portrays the very essence of my right to possess what is mine. I wish I had my notes available so that I could tell the hon. member from whence the word "dominion" came.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was very impressed with the discourse of the hon. member for Hillsborough (Mr. Macquarrie). As I listened, I was reminded of the warm June days about exam time in school when I sat and dreamed of things that might have been and should have been, and wondered at the greatness of it all. However, Mr. Speaker, Canada did not develop quite as simply as that. I was impressed with our history, but surely we must go onward. Without the doubtful benefit of having had a revolution in Canada, we do not have a Bastille Day nor an Independence Day. We did not develop that way.

Canada Day Act

• (3:20 p.m.)

I think most young people think of dominion as a special status in the British empire. I was surprised, unlike my hon. friend, to learn that Newfoundland was a dominion. I thought it was a colony, never dreaming it had reached the status of a dominion. For a long time Canada was proud of her status as a dominion within the British empire. Originally we were a colony, as has been mentioned, and then through a compromise on the part of Great Britain we became a dominion in the British empire, that status being somewhat greater than colonial status and somewhat less than the status achieved by revolution in the country to our south.

We have heard over the years, as we are hearing in the present election campaign in Quebec, that Canada is not a nation, that it is subject to the political will of others and that the influence of other nations is still at work in this country. I for one—and I believe most people share my feelings—think that "dominion" is a status we have grown out of. It is true that historically our nation was established by the action of a number of equal partners. But in my opinion what really made Canada a nation was not any act of Parliament but rather the role which Canada was able to play in two wars. During those wars when the apron strings of the mother country were loosened, we took on a national identity that otherwise might have been denied us.

I think most people agree that in these days our identity as a nation is established and that Canada Day ought to commemorate the day on which the dominion became a nation. History will not deny that we once enjoyed dominion status; it will not detract from the achievements that led to the colonization of this nation; it will not detract from the achievements of the people who originally came here. Certainly those who are yet to come will be aware of our history.

Also, I think it is more honest if we call this important national day Canada Day. Some people say we celebrate our birthday on that day, and this is a custom which has developed over a considerable period. There are conservatives—I spell that with a small "c"—who are unhappy when we give up anything of any significance at all in our history. To some extent we are all that way. These remarks may also apply to a young lady of illustrious name who is contemplating marriage. Having borne the illustrious name for 17 or 18 years, she does not wish to change it, but changes it in any event because the change will bring advantages. By taking another name she does not change the illustrious history of her former name. If we are to celebrate a day which is the anniversary of our establishment as a nation, I think we are in the position of that young lady. I think it is a step most Canadians wish to take, because we shall not be renouncing any of the illustrious parts of our history.

[Mr. Peters.]

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, unfortunately I was not in the House this afternoon when debate began on the amendment of the hon. member for Hamilton-Wentworth (Mr. Gibson). In my opening remarks I wanted to say that one of the supporters of the general proposition underlying the bill is my good friend from Brantford, the hon. member for Brant (Mr. Brown).

At the outset I should like to suggest to him and to others who are anxious, as demonstrated by this initiative, to change this particular aspect of Canadian history, that the initiative arises from a lack of appreciation of the true nature of that part of Canada which is beyond what those from western Canada refer to as central Canada or upper and lower Canada. I am sure that anybody who travels beyond the boundaries of the two central provinces acquires a sense of the broad sweep of Canada and a fresh appreciation of what is really involved in the term Dominion of Canada that is not possible until one has broken out of one's shell, as it were.

I am speaking briefly on this subject this afternoon because in Manitoba we are celebrating our centennial this year. Manitoba did not come into Canadian Confederation in 1867, simply because there was no province of Manitoba in the year of Confederation. We were carved out of the Northwest Territories, out of a wilderness that some pessimists in those days said would never be of any economic significance or any important part of this great Dominion of Canada. I suppose when we celebrate our birthday on July 15 of this year we will be marking the formal entrance of Manitoba as the first "in" province to use a phrase that has been chosen for the celebration, because we must note the fact that we are the first province outside the original group which joined Confederation. We will be very proud to refer to that day as Manitoba Day.

Speaking from the perspective of a Member of Parliament who represents a province that was not party to Confederation in 1867, I think hon. members will understand why we

are not sympathetic to the idea of changing Dominion of Canada Day to Confederation Day or even refining it further to Canada Day. It is not Confederation Day as far as Manitoba is concerned. It is Dominion of Canada Day and that, of course, is enshrined in the official motto inscribed in the stonework at the entrance to this building, *A mari usque ad mare*—"He shall have dominion from sea to sea." I think it would be most inappropriate in this year 1867—

Some hon. Members: Hear, hear!

Mr. Dinsdale: I beg your pardon; I meant to say 1970. I see some of my hon. friends are amused.

An hon. Member: Keep up to date.

Mr. Stanfield: We are living in 1970, unlike some of you fellows.

• (3:30 p.m.)

Mr. Dinsdale: My hon. friends on the opposite side of the House are seeing much hilarity in this matter. I was going to make the point that in the year 1970, when Manitoba is celebrating its entry into Confederation, we should stop juggling history in this respect and trying to rewrite it by substituting words that are fundamental in describing the historical process that has gradually seen this nation evolve from its beginning in 1867. Manitoba entered Confederation in 1870, and British Columbia in 1871. The two Prairie provinces of Alberta and Saskatchewan entered in 1905. I am reminded by the Leader of the Opposition (Mr. Stanfield) that Prince Edward Island, which really sarted the whole process, came in in 1873. More recently, the dominion of Newfoundland came in 1949. This is a part of Canada which has been described as Britain's oldest colony—the hon. member for St. John's East (Mr. McGrath) will correct me if I am wrong—and it has been called Canada's newest dominion, I think that is the word used, or at least our newest province.

In 1967 we celebrated Canada's 100th birthday. In that year an attempt was made by Canadians in all the provinces to look back on our history and our origins. I believe it was Sir Edmund Burke, known as the father of philosophic conservatism, who said that a nation which had no regard for its history or its ancestry had very little hope of posterity.

In recognizing this principle of nationhood, we realize, as the hon. member for Temiskaming (Mr. Peters) has pointed out, that we have no revolutionary tradition. If ours had been such a tradition, we would likely have no nation today. Our traditions are evolutionary. We have developed a national consensus because we have moved forward on the basis of accumulated traditions. It is the revolutionary nation which suddenly leaps forward with new names and new ideas, dramatically repudiating their past. In the past week throughout the world there has been some observance of the glorious October Revolution of 1917 when a nation broke with its traditions. Talk about rewriting history! As I read the reports there have been attempts to elevate the conduct of that revolution, one Lenin, from sinner to saint. They are trying to place around the head of that individual the halo of saintliness.

Another revolutionary change was marked by the rise to power of the nazi movement in Germany. When Hitler was reminded that history would condemn him for his actions, he said history would never condemn him because he would rewrite it.

Mr. Speaker: Order, please.

Mr. Dinsdale: We do not want to rewrite history in those terms.

Mr. Speaker: I hesitate to interrupt the hon. member, but his time has expired and according to the order passed by the House this afternoon the time allotted for private members' business has also expired.

I think I owe it to hon. members to refer briefly to the procedural aspect of the bill and the amendments now before the House. The Chair has had serious doubts whether this amendment is in order, in the sense that what we have before us—as has been pointed out by the hon. member for Hillsborough (Mr. Macquarrie)—is not the bill which stood originally in the name of the hon. member for Brant (Mr. Brown) but an entirely new bill. What we have been considering, substantially, is a bill standing in the name of the hon. member for Hamilton-Wentworth (Mr. Gibson). It might well be argued that under the terms of our standing orders, if the hon. member for Hamilton-Wentworth wanted this bill to be considered he should have introduced it in the same way as the hon. member for Brant introduced his own measure.

The question is whether a bill can be so amended in committee that it is not the same bill at all as when it came before the House. As the hon. member pointed out, the only thing left of the original bill is its number. I did not raise this point earlier, realizing that hon. members were anxious to discuss both aspects of this proposal. At the same time, I

do not believe a precedent should be established for the consideration of an amendment of this kind. I am saying this *ex post facto*. I realize that if there had been real objection, and I had wanted to hear arguments for or against the bill from a procedural aspect, the matter should have been raised before. I do think the objections should be mentioned now, however, so that this form of amendment will not be used as a precedent should a similar situation arise later.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

CANADA-U.S.—TABLING OF AGREEMENT ON RECIPROCAL FISHING PRIVILEGES

Mr. Speaker: I understand the Secretary of State for External Affairs (Mr. Sharp) would like the unanimous consent of the House to return to Motions for the purpose of tabling a document. Is this agreed?

Some hon. Members: Agreed.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the other day I promised I would table a copy of the agreement between the government of Canada and the government of the United States of America on reciprocal fishing privileges in certain areas off the coasts of the two countries. This agreement was signed this afternoon, and since a public announcement is to be made I thought it would be only courteous to seek the first opportunity to table it in the House.

On motion of Mr. Cadieux (Labelle) the House adjourned at 3.40 p.m.

HOUSE OF COMMONS

Monday, April 27, 1970

The House met at 2 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of the following member:

Of Douglas Charles Rowland, Esquire, for the electoral district of Selkirk.

NEW MEMBER INTRODUCED

Douglas Charles Rowland, Esquire, member for the electoral district of Selkirk, introduced by Mr. T. C. Douglas and Mr. Stanley Knowles.

ROUTINE PROCEEDINGS

NATIONAL RESOURCES AND PUBLIC WORKS

Second and third reports of the Standing Committee on National Resources and Public Works—Mr. Hopkins.

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

• (2:10 p.m.)

HOUSING

STATEMENT ON PROJECTS UNDER CMHC EXPERIMENTAL FUND

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, last February 2 I indicated that a sum of $200 million out of CMHC's capital budget for 1970 was being reserved temporarily in order to proceed with some experimental projects to provide shelter for low-income families. The object was to provide a catalyst to launch an intensive movement to find more effective ways to house families in the $4,000 to $6,000 income group. The reaction this proposal has generated from municipalities and provinces, and especially from the builders, has been most encouraging and I believe has justified our hope of two months ago.

In view of the number of proposals which were received, a special group of senior CMHC officials was formed under the direct chairmanship of the president to evaluate each of them. Proposals varied from municipal offers to convey land to developers at the cost of servicing, to amendments in zoning regulations and bylaws to permit higher densities, to a provincial offer from Alberta to provide the builder with a 2 per cent interest rebate on NHA loans under this program, to various new building techniques that eliminate unnecessary frills and provide higher densities without a dehumanizing overconcentration of units.

In view of this positive response and in order to maintain the incentive effect, I have instructed CMHC to proceed with negotiations on 15 projects which are to be located in the following cities; St. John's, Newfoundland, 50 units; Halifax, 60 units; Moncton, 150 units; Montreal, 1,450 units; Hull, 300 units; Kitchener, 50 units; Calgary, 200 units; Regina, 50 units; Vancouver, 300 units, and Toronto, 1,800 units. I have further instructed the officials to finalize discussions with all possible dispatch. This first phase of this special $200 million program for low-cost housing will involve the release of close to $56 million of this special fund and will provide for some 4,400 units and 200 hostel beds.

Before closing, Mr. Speaker, I should like to emphasize that the real significance of this special program lies in the commitment implicit in these proposals to provide good, clean housing for families with incomes in the range of $4,000 to $6,000 per year. The projects thus authorized will be programmed for 1970 starts, and I am hopeful I will be able to announce the second phase of this program before the House rises.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I welcome this opportunity to reply to the minister because I sincerely believe that innovation and experimentation are some of the keys in respect of housing and so far as the future of Canada is concerned. The housing authorities forecast a need for some two and a half million homes by the end of 1970 at a cost of $4 billion. Therefore we can readily see that the housing crisis presents a very great challenge to all of

us. It will call for a great deal of imagination and co-operation at all levels of government and also of the industry, which is also so much involved. We are all interested in new house building techniques, and I hope the minister is placing some emphasis on the acceptability of mobile homes, modular construction and pre-fab mass production because of the need for these types of homes to be accepted in order to bring the cost down.

When we speak of innovations and new technique I think we must be aware of the fact that housing starts are down as much as 95 per cent in Saskatchewan, and of course we are all very aware of the figures in Toronto. We must be very concerned about the lack of money which is a critical factor in housing and, of course, one must place a great emphasis on the fact that high interest rates also are a very great deterrent. No matter how many innovations or new techniques we are presented with, the effect of these innovations and techniques will be minimal unless ways are found to ensure that an adequate supply of mortgage money is available.

In my respectful submission, the minister has three choices. First, he can ensure that CMHC makes more money available for mortgages. His second alternative is to have serious discussions with the lending institutions which seem to be more interested in equity and a piece of the action. As a matter of fact, they have stated that the amount of mortgage money so far as they are concerned will be very small. So I think the minister must reassess this whole problem to ensure that more mortgage moneys are allocated for this purpose.

He should also discuss the matter of housing with his confrere, the Minister of Finance who so far as I am concerned—and I say this with a great deal of respect—has shown no appreciation of the need for housing, particularly in view of his white paper which brings homes into the capital gains structure, and has shown very little interest in new societies in terms of bringing more money into housing.

In closing I should like to say that urban renewal also is a fact of life and as long as we have these great megalopolises we shall be continually confronted with urban renewal. I hope the minister will reassess the position he has taken with regard to urban renewal because there are many people in Canada in the low-income brackets who are looking for leadership and direction in this regard.

[Mr. Alexander.]

We on this side of the House are very pleased that there has been concerted action on the part of industry and the government to attempt to solve the very critical housing situation but, as I stated earlier, the key to solving the problem of housing lies in the provision of more mortgage moneys and the lowering of the exorbitant interest rates.

Mr. John Gilbert (Broadview): On February 2 when the minister in charge of housing announced the capital budget of CMHC he said that $570 million would be applied to low-income families and persons. The breakdown of that figure indicated that 265 million would go for public housing, $105 million would go for low-rental housing and the development of co-operative housing, and $200 million would be reserved temporarily for innovations and the balancing of distribution based on need.

The minister's statement today is in regard to the $200 million. The minister said in February that that amount of money would produce 35,000 housing units for low-income families. I wish to remind the House that, as I said last week, there are 100,000 families across Canada on public housing waiting lists, and the 35,000 housing units to be built this year will cover less than one-third of the total need. The target should be between 60,000 and 70,000 for this year alone and will necessitate a substantial increase in the public housing budget.

The statement made today is only factual and does not deal with any innovations in the housing field. The minister said there will be 15 projects in 10 different cities, the net result of which will be 4,400 housing units and 200 hostel beds at a cost of $56 million. There is no information regarding the types of projects. There is no information on whether they are to be apartments, condominium housing, single family housing, row housing, mobile housing or co-operative housing. We would also like to know whether these are rental units, whether they carry with them the right of purchase, and whether there is an income range with regard to the purchase of these units and a form of rental subsidy if necessary.

Another important question which we would like answered is to whom these moneys are going. Are they going exclusively to private builders or are they going to other groups? Will any money go toward the development of co-operative housing? I thought the minister would say a few words about a

conference in the Maritimes to discuss ways and means of building co-operative houses in that area and to develop techniques with regard to the purchase of materials for mass production building. I thought he would deal with the problem of shell housing in the Maritimes and Newfoundland and give some assistance in that respect. I thought he would deal with the open systems approach which has been developed by co-op housing groups and experimented upon in that field, whereby they integrate parts, they have mass production techniques, and have rationalized building techniques.

• (2:20 p.m.)

I thought the minister would also deal with moneys and the question of whether they were going to churches or not. Many churches across the country have the necessary vacant land upon which to build homes but they do not have enough interim financing for architectural and other administrative costs. I thought the minister would help trade unions with regard to their house building problems and assist them in land assembly.

The problem of mobile homes is one to which some of these moneys could be directed. The hon. member for Fraser Valley West and other hon. members have urged that the minister take steps with regard to assisting people in mobile homes.

I also thought that the minister would direct certain moneys to the development of homes for the Indian and Métis people that would be suitable to their particular areas and climatic conditions.

Finally, Mr. Speaker, I thought that the minister would say he was setting up a crown building corporation which would specialize in building homes for low income groups, that he would use the facilities of Central Mortgage and Housing Corporation to meet engineering and architectural problems and the research facilities of the National Research Council to develop new building products, and use Polymer Corporation to manufacture these new products.

The statement is disappointing in that it is not bold and imaginative; it is dull and dreary. I would hope that the second-phase statement by the minister will be more exciting and challenging and more productive as a result of incorporating the suggestions of the opposition parties.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I will only indulge in a few brief remarks to express our satisfaction following the minister's announcement on housing. We hope that these $200 million in subsidies will be well received everywhere in Canada and mainly in the province of Quebec.

I do not want to enumerate everything the minister should have done. I merely want to say that we are satisfied with this announcement as a first step toward the improvement of the housing situation. However, I see that these funds are only intended for important urban centres and will be available to large contractors and, as always, the construction of low-priced housing is neglected.

There is no doubt that we always keep in mind the welfare of the citizens of our regions, and if the minister could some day announce a decrease in interest rates in order to promote the building of low-priced family units this would encourage our local contractors.

I do not live in a large urban centre, but since we always do as the United States do, I think the minister should have a look at what is going on there. In fact, our southern neighbour has started to reduce interest rates and I believe that if the Canadian government were to do likewise, this would be a first step giving a new start to the building of low-cost family units in our regions.

Today, while loans are granted at 10 and 10.5 per cent, the man who would like to build a small house for his family is not encouraged to do so. If he decides to build a $6,000 or $7,000 house, he will have to pay back $14,000, $15,000 or $20,000. And when the government claims that it is helping low income families, while at the same time, it allows finance companies and banks to charge such interest rates, I say that this is all a big joke. In my opinion, as long as no decision is taken to standardize interest rates, nothing will have been done to help build low-cost family units.

We wholeheartedly hope that announcing within the next few months the second stage of his program, the minister will state that his first objective was to reduce interest rates.

Questions

[*English*]

BILLS OF EXCHANGE ACT

AMENDMENTS RESPECTING CONSUMER BILLS AND NOTES

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved for leave to introduce Bill C-208, to amend the Bills of Exchange Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—PERSONNEL

Question No. 932—**Mr. Macquarrie:**

1. Are any personnel of the Department of Regional Economic Expansion stationed in Charlottetown and, if so, how many and what are their duties?

2. Is there a regional office of the Department of Regional Economic Expansion at Amherst, N.S., and what is the number of personnel there?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Yes; six. Duties: Direction, one; Secretarial, two; Clerical, one; Resource development and adjustment program administration, one; Industrial, commercial and small business program administration, one.

2. No, but there is an engineering services unit; 42.

CONSTRUCTION INDUSTRY DEVELOPMENT COUNCIL PERSONNEL

Question No. 1,174—**Mr. MacLean:**

How many of the members of the new Construction Industrial Development Council are from (a) British Columbia (b) the Prairies (c) Ontario (d) Quebec (e) the Atlantic Provinces?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): (a) Four; (b) Three; (c) 17, including 4 federal public servants; (d) Nine; (e) Two.

Members of the Construction Industry Development Council were selected from candidates recommended by the industry, mainly through its national associations and institutes.

The submissions were reviewed and members appoin'ed on an individual basis having regard to special knowledge and expertise.

[Mr. Gauthier.]

In the selection process the principle of assembling a Council reflecting all facets of the building industry throughout Canada was observed. No one was appointed to represent an association, institute, corporate group or specific region.

INCENTIVE GRANT TO ERNEST HARRISON AND SONS

Question No. 1,257—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Ernest Harrison & Sons, Parrsboro, N.S. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Ernest Harrison & Sons and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. The directors and executive officers of C. Ernest Harrison & Son Ltd., as of April 1, 1970 were as follows: C. Ernest Harrison, President, Parrsboro, Nova Scotia; Donald Harrison, Vice-President, Parrsboro, Nova Scotia; Charles Harrison, Secretary-Treasurer, Parrsboro, Nova Scotia.

4. The company reports no shares held by non-residents, either directly or through intermediate holdings.

5. None.

CANADA SAVINGS BONDS

Question No. 1,271—**Mr. MacLean:**

1. What was the total value of Canada Savings Bonds held by the public at the most recent date for which figures are available?

2. What was the total value of Canada Savings Bonds held by the public which have the option of leaving the coupons unclipped, so that interest on interest may be collected when the bond matures?

3. What provision is made in the national accounts to offset the obligations of the federal government for payment of interest on savings bonds for coupons which are not cashed in the year they are earned?

4. (a) What is the total value of the first year interest coupons on the 1969 issue of Canada Savings Bonds held by the public (b) what amount is provided in the 1970-71 estimates for payment of interest on the 1969 issue of Canada Savings Bonds (c) what will be the disposal of any part of this amount referred to in Part (b) which may not be paid out in the fiscal year 1970-71?

5. What is the estimated total amount of interest which will have to be paid on the 1969 issue of Canada Savings Bonds in each fiscal year up to and including their year of maturity?

Hon. E. J. Benson (Minister of Finance): 1. The total value of Canada Savings Bonds held by the public as at April 1, 1970 was $6,593,000,000.

2. At February 28, 1970 which is the latest date for which detailed information by issue is available, there were $6,626 million C.S.B. outstanding of which $6,145 million were of those series which, when issued, provided an interest compounding option.

3. Interest on the public debt is charged to budgetary expenditure as the interest accrues. Accordingly any unclipped coupons together with other accrued interest charges are reflected in the Public Accounts of Canada as current liabilities. In addition there has been established, in the Public Accounts, a reserve for the estimated outstanding liabilities in prospect of compound interest on Canada Savings Bonds.

4. (a) The total value of the first year interest coupons on the 1969-70 issue of Canada Savings Bonds held by the Public at February 28, 1970 was $331.6 million. (To the extent that there are net sales or redemptions of the 1969-70 Series after this date, the value of the first year coupons on the coupon date will differ from this amount). (b) The provision in Main Estimates 1970-71 for interest on the public debt, amounting to $1,799.7 million included an estimated amount for interest on the 1969-70 Series similar to that in (a) above. (c) See answer to no. 3.

5. Since 1969-70 Series of Canada Savings Bonds are redeemable at the option of the holder at any time, and since the rate of redemption and the utilization of the compounding option cannot be determined in advance for the lifetime of the issue, it is not possible to forecast the total amount of interest which will have to be paid on the 1969-70 issue of Canada Savings Bonds in each fiscal year up to and including its year of maturity.

Questions

DEPARTMENT OF EXTERNAL AFFAIRS—RESEARCH STUDIES

Question No. 1,278—**Mr. Robinson:**

1. What research studies have been carried out by, or on behalf of, the Department of External Affairs during each of the years 1960 to 1969 inclusive?

2. What research studies are presently being carried on and/or are contemplated during the next five years?

3. What was the cost of each of the research studies completed in each of the years 1960 to 1969 inclusive?

4. What is the estimated cost of each of the studies presently in being or contemplated during the next five years?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. Research into economic and political problems which affect Canada's relations abroad forms a major element in the normal work of the Department of External Affairs and it is not possible to provide a breakdown of internal research activities performed by Departmental personnel. The following research was done under contract to outside consultants.

Financial records are no longer in existence for years prior to 1964-65. 1964-65—(a) Rules governing the responsibility of the State in international law, $2,800; (b) History of early participation in the International Commissions for Supervision and Control—Indo-China, $2,143. 1965-66—(c) ...Supervision and Control in Indo-China (Cont'd) $545; (d) United Nations Education, Scientific and Cultural Organization, $3,275. 1966-67—(e) Ownership of off-shore mineral rights, $1,659; (f) Continental Shelf, $1,593. 1967-68—(g) Canadian content in United States education curricula, $3,742; (h) Sources of Information concerning Foreign Affairs in Canadian Press, $5,000; (i) Canadian public interest in Latin America, $3,122; (j) Canadian public attitudes towards NATO, NORAD and peacekeeping, $1,875. 1968-69—(k) Socio-economic and political reporting—Latin America Posts, $2,800; (l) Peaceful settlement of international disputes $3,600; (m) Trade between Canada and Commonwealth Caribbean $30,802; (n) State papers on Canadian External Relations, $9,460. 1969-70—(o) State papers on Canadian External Relations (Cont'd), $20,045; (p) Bibliography on Canadian External Relations 1600-1969, $3,000; (q) Arctic Sovereignty, $1,850.

2. (i) Projects presently in being and estimate of further costs: (o), (p) and (q) above $8,500, $500 and $4,000, respectively. (ii) Projects contemplated and estimated costs:

Questions

Research in the field of Arms Control and disarmament is currently under consideration but it is impossible to project an estimate of relative costs at this time.

Numerous studies are anticipated during the next five years as a result of negotiations at the Conference of the Committee on Disarmament in Geneva, at NATO or at the United Nations, but the nature and costs of the projects will depend on the requirements devolving from those negotiations.

The Department's 1970/71 budget includes an amount of $70,000 for research in the field of automatic data processing. It is anticipated that the Department's annual estimates for the next five years will include a similar amount for the services of professional consultants to study and to prepare in detail the means by which information which uses the language of international relations can be classified for automated storage, retrieval and analysis.

An electronic engineering study will also be made of improvements to the productivity of the telecomunications systems at Ottawa.

3. See answer to 1.

4. See answer to 2.

SALARIES PAID TO MEMBERS OF BILINGUAL DISTRICTS ADVISORY BOARD

Question No. 1,290—**Mr. Skoberg:**

1. What annual remuneration will the Chairman of the Bilingual Districts Advisory Board receive?

2. What annual remuneration will each of the Board's commissioners receive?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): 1. $200 a day for each day of service to the Advisory Board.

2. $150 a day for each day of service to the Board.

[*English*]

INCENTIVE GRANT TO MARITIME MOTOR SUPPLY

Question No. 1,329—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Maritime Motor Supply, Charlottetown, P.E.I., and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Maritime Motor Supply and what is the address of each?

[Mr. Sharp.]

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Consumer and Corporate Affairs as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. Maritime Motor Supply Company Limited was incorporated under the laws of the province of Prince Edward Island on June 30, 1955 and information on the officers and directors is not available.

4. No information available.

5. No information available.

INCENTIVE GRANT TO KAINAI INDUSTRIES LIMITED

Question No. 1,331—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Kainai Industries Ltd., Lethbridge, Alta., and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of Kainai Industries Ltd., and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Consumer and Corporate Affairs as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. Kainai Industries Ltd. was incorporated under the laws of the province of Alberta on January 27, 1970 and no information is available on the officers and directors.

4. No information available.

5. No information available.

INCENTIVE GRANT TO HOUSE OF CHAN

Question No. 1,333—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, au-

thorized or provided an incentive grant to House of Chan, Saint John, N.B. and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of House of Chan and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Consumer and Corporate Affairs as follows: 1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. House of Chan Ltd. was incorporated under the laws of the province of New Brunswick on January 13, 1965 and no information is available on the officers and directors.

4. No information available.

5. No information available.

CANADA PENSION PLAN—INVESTMENT OF CONTRIBUTIONS

Question No. 1,489—**Mr. Horner:**

What are the total earnings and rate of earnings realized from investments made from contributions to the Canada Pension Plan for the years 1967-68-69?

Hon. E. J. Benson (Minister of Finance): Amounts credited to the CPP Investment Fund:

	($ millions)		
	1967-68	1968-69	1969-70 (preliminary)
On investments	42.2	84.4	139.7
On operating balances	1.4	2.4	3.7

The average rate of interest on funds invested in securities of the provinces and of Canada during fiscal year 1967-68 is 5.84 per cent, fiscal year 1968-69—6.72 per cent and fiscal year 1969-70—7.63 per cent.

In addition to interest earned on investments the Plan earns interest on the daily operating balance on deposit in the C.R.F. equal to the average of the unweighted average yield at tender on three month Treasury Bills during the month in respect of which interest is being paid less $\frac{1}{8}$ of 1 per cent.

EQUALIZATION PAYMENTS TO QUEBEC GOVERNMENT

Question No. 1,513—**Mr. Lambert (Bellechasse):**

What amounts did the federal government pay to the Quebec Government in equalization payments for the years 1966-67, 1967-68, 1968-69 and 1969-70?

Hon. E. J. Benson (Minister of Finance): Under the Federal-Provincial Fiscal Arrangements Act, 1967, and its predecessors, the federal government paid the Province of Quebec the following amounts on account of equalization for the following fiscal years: 1966-67, $155,529,018; 1967-68, $249,876,746; 1968-69, $276,507,486; 1969-70, preliminary, $360,308,964.

PERSONAL INCOME TAX EXEMPTIONS

Question No. 1,537—**Mr. Rodrigue:**

1. Of what amount would the federal Treasury be deprised if personal income tax exemptions were raised to $2,000.00 for single persons and $4,000.00 for married persons?

2. How many people would be affected by such a change, using the year 1969 as a base?

Hon. E. J. Benson (Minister of Finance): 1. On basis of 1969 incomes and tax rates the estimated loss of combined federal budgetary and old age security tax revenue would be approximately $1,730,000,000.

2. All individual taxpayers, estimated to total 7,700,000 in 1969, would have their tax reduced. Of this group approximately 1,850,000 would be dropped from tax rolls.

INCENTIVE GRANT TO McCULLY AND SOY LIMITED

Question No. 1,559—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act,

authorized or provided an incentive grant to McCully & Soy Ltd., Truro, Nova Scotia, and, if so, what is the amount of the grant?

2. Who are the directors and chief executive officers of McCully & Soy Ltd. and what is the address of each.

3. To what extent is this company non-resident or foreign-owned or controlled?

4. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

2. The directors and executive officers of McCully & Soy Limited as at October 31, 1968 were as follows: James M. Soy, President, 86 Main Street, Truro, N.S.; Sidney D. McCully, Secretary-Treasurer, Debert, Col. Co., Nova Scotia; Manning McCully, Director, Debert, Col. Co., Nova Scotia; Bernard Soy, Director, 287 Picton Road, Truro, N.S.

3. The company reports no shares held by non-residents, either directly or through intermediate holdings.

4. None.

INCENTIVE GRANT TO TRANS-CANADA STEEL PRODUCTS LIMITED

Question No. 1,565—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Trans-Canada Steel Products Ltd., Moose Jaw, Saskatchewan, and if so, what is the amount of the grant?

2. Who are the directors and chief executive officers of Trans-Canada Steel Products Ltd. and what is the address of each?

3. To what extent is this company non-resident or foreign-owned or controlled?

4. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

2. The directors and executive officers of Trans-Canada Steel Products Ltd., as of December 31, 1968 were: J. E. Nant, President, Moose Jaw, Saskatchewan; L. W. Patterson, Vice-President, Moose Jaw, Saskatchewan; E. K. Dokken, Secretary, Moose Jaw, Saskatchewan.

3. The company reports no shares held by non-residents, either directly or through intermediate holdings.

4. None.

INCENTIVE GRANT TO NORTHWEST DESIGN AND FABRICATION LIMITED

Question No. 1,567—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to Northwest Design & Fabrication Ltd. of Winnipeg, Fort MacLeod, Alberta, and if so, what is the amount of the grant?

2. Who are the directors and chief executive officers of Northwest Design & Fabrication Ltd. and what is the address of each?

3. To what extent is this company non-resident or foreign-owned or controlled?

4. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Dominion Bureau of Statistics as follows: 1. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

2. The directors and executive officers of Northwest Design and Fabrication Limited as of June 30, 1968 were: D. S. Paterson, 131 Ridgedale, Winnipeg, Manitoba; J. N. Paterson, 1735 McGregor, Ft. William, Ontario; R. J. Turner, 409 Shatesbury, Winnipeg, Manitoba; J. E. Searle, 800 Crescent, Winnipeg, Manitoba; J. R. Fraser, 1215 Wellington Cres., Winnipeg, Manitoba.

3. The company reports no shares held by non-residents, either directly or through intermediate holdings.

4. None.

EXEMPTION FROM SALES TAX OF MATERIALS FOR SEWAGE, DRAINAGE AND WATER DISTRIBUTION SYSTEMS

Question No. 1,572—**Mr. Burton:**

1. Are materials used in sewage and drainage systems exempt from federal sales tax and what is the basis for government policy on this matter?

2. Are materials used in water distribution lines exempt from federal sales tax and what is the basis for government policy on this matter?

Hon. E. J. Benson (Minister of Finance): 1. Yes, when sold to or imported by municipalities for their own use and not for resale.

2. No. The government has exempted from federal sales tax a limited number of items which are purchased by municipalities as a measure of assistance to these bodies.

FREE DENTAL SERVICE FOR INDIANS

Question No. 1,574—**Mr. Burton:**

1. Are people of Indian origin entitled to free health services for the extraction of teeth and, if so, on what basis is this service provided?

2. Are people of Indian origin entitled to free service for filling of teeth or work on dentures and, if so, on what basis is this service provided?

3. If there is any difference in the service provided in Parts 1 and 2, what is the rationale for such differences?

Hon. John C. Munro (Minister of National Health and Welfare): 1 and 2. Not by treaty or statute. The federal government has always taken the position that responsibility for health lies in this order: (a) With the individual; (b) With his group; (c) Within the provincial programs.

Only when these three resources fail to meet requirements does the federal government become involved. This position is supported by the fact that traditionally and constitutionally health care services have been the responsibility of the provinces for all residents within each province.

Many of these people of Indian origin, however, either live in isolated areas or are indigent and thus are unable to obtain or pay for dental or medical attention in the ordinary way. Each year Parliament appropriates a certain sum of money for the provision of public health and essential dental and medical care for this group. To ensure that funds are used for the purpose intended, it is necessary to establish certain criteria concerning the acceptability of individuals for assistance, and to place certain limits upon those services which medical services is prepared to approve.

The acceptability of any individual is governed by the following conditions: 1. A patient must be listed on a Register for an Indian Agency; 2. The patient must be medically/dentally indigent, or so isolated that the costs of transportation associated with procuring necessary treatment would place such care beyond normal economic means; 3. No other Agency, e.g., Provincial, D.V.A., Workmen's Compensation Board, Insurance, etc., has responsibility for payment of the account; 4. When an Indian has established residence away from a Reserve or his Indian community for a period long enough to qualify him for assistance from a Provincial, Municipal or any other organization, he generally ceases to be acceptable for assistance from Medical Services.

The objective of the Indian Health Program is to provide or arrange for health services for eligible Indians in order to assist them in achieving a standard of health comparable to that of other provincial residents. Indian groups are, in most provinces, receiving the same benefits under hospital and medicare plans as all other citizens. Where special needs above and beyond what provincial programs provide are required, the federal government endeavours to augment provincial services.

3. N/A.

COMPETITION NO. 69-NHW-NB-1, DEPARTMENT OF NATIONAL HEALTH AND WELFARE

Question No. 1,583—**Mr. MacRae:**

1. Was competition number 69-NHW-NB-1 for CR4, Department of National Health and Welfare, Fredericton, withdrawn and, if so, for what reason?

2. Was Quebec included in the area from which an appointment could be made under competition number 70-NHW-NB-1 for CR4 positions in the above department, Fredericton, and if so, for what reason?

3. Are there any fully qualified people in the Fredericton office to fill the position being advertised?

4. Are employees with long service disqualified from promotion under this system?

5. Was an assessment of staff requirements made in the Fredericton office, Department of National Health and Welfare, before the above competition was announced?

6. If appointments are made, and assessment then carried out, could there be layoffs of employees with long service but who are not bilingual?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): 1. Yes. To prescribe knowledge of both official languages as an essential qualification.

2. Yes. To increase the number of potential candidates with knowledge of both official languages.

3. The selection board for this competition has not yet received the applications.

4. No.

5. Yes.

6. No lay-offs from the unit concerned have been or are being considered.

Questions

[*English*]

REMOVAL OF EXCISE TAX ON JEWELLERY

Question No. 1,597—**Mr. Moores:**

Does the government intend to remove the Excise Tax on jewellery and, if not, for what reason?

Hon. E. J. Benson (Minister of Finance): This is a matter of government policy. If the government should decide to propose an amendment to the Excise Tax Act to remove the special excise tax on jewellery it would be announced at the appropriate time.

CBC—COMPLAINTS RECEIVED FROM RESIDENTS OF NORTHWEST TERRITORIES

Question No. 1,609—**Mr. Macquarrie:**

1. Since January 1, 1970, how many complaints have been received from residents of the Northwest Territories concerning the radio service of CBC?

2. Has a protest on the matter been received from the Legislative Council of the Northwest Territories?

3. What is the estimated number of residents of the Northwest Territories who are able to receive service from (a) radio Australia (b) CBC radio?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. None.

2. No. However there has been a cordial exchange of correspondence between the CBC Northern Service and a member of the Northwest Territories Council concerning radio reception in the District of Keewatin.

The existing shortwave service will be improved with the installation of higher powered equipment including a specially designed antenna directed solely to the North. This is part of the Corporation's overall shortwave modernization project which has had to be phased over four or five years due to financial restrictions.

3. (a) Unknown to CBC. (b) CBC estimates that its radio service is available to 90% of the residents of the Northwest Territories through standard band or shortwave facilities.

[*English*]

INSTALLATION OF TIDE-GAUGE, DESCHAILLONS, LOTBINIÈRE

Question No. 1,611—**Mr. Fortin:**

Did the government grant special work contracts for the installation of a tide-gauge at Deschaillons in the constituency of Lotbinière in 1969-1970 and, if so (a) on what dates were these contracts granted (b) who were the contractors chosen (c) how much was paid to each contractor?

[Mr. Pelletier.]

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Yes. (a) and (b) On November 21, 1969, a contract for the construction of a tide gauge at Deschaillons, was awarded to Camille Vezina Construction, Fortierville, P.Q. On December 10, 1969, a contract for the relocation of the electrical power line connections at Deschaillons was awarded to Marcel Bastien, Pointe-aux-Trembles, Montreal, P.Q. (c) Camille Vezina Construction, $7,460; Marcel Bastien, $998.

TRAIN ACCIDENTS

Question No. 1,623—**Mr. Mather:**

1. What was the number of train accidents in Canada in 1965 and 1969?

2. What was the number of deaths in these accidents?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. The number of train accidents in Canada reported for the year 1965 was 1,955. Data for the year 1969 will not be available for several months. However the number of train accidents in Canada reported for the Year 1968 was 1,911.

2. The number of persons killed in these train accidents totalled 229 in 1965 and 215 in 1968.

MANPOWER RETRAINING—MINIMUM EDUCATIONAL REQUIREMENTS

Question No. 1,643—**Mr. Nystrom:**

1. What are the minimum educational requirements for manpower re-training?

2. What programs exist for those who have not met that standard?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. There are no minimum education requirements for assistance under the Canada Manpower Training Program. However, provinces set education entrance requirements for most skill courses offered in their institutions.

2. Adults may be provided with basic training for skill development so that they may meet the education requirements of employers or qualify for admission to skill courses.

FAMILY ALLOWANCES—AMOUNT PAID IN QUEBEC AND ONTARIO 1968-69

Question No. 1,650—**Mr. Lambert (Bellechasse):**

What was the total amount of money paid by the federal government during the fiscal year 1968-69 for Family Allowances in (a) Quebec (b) Ontario?

[*Translation*]

Hon. John C. Munro (Minister of National Health and Welfare): During the fiscal year 1968-69 the federal government spent the following amounts for family allowances: (a) In Quebec: $163,502,052; (b) In Ontario: $189,-231,474.

[*English*]

OLD AGE SECURITY—MONEYS SPENT IN QUEBEC AND ONTARIO 1968-69

Question No. 1,651—**Mr. Lambert (Bellechasse):**

What was the amount of money spent by the federal government for Old Age Security during the fiscal year 1968-69 in (a) Quebec (b) Ontario?

[*Translation*]

Hon. John C. Munro (Minister of National Health and Welfare): During the fiscal year 1968-69 the federal government spent the following amounts for old age security: (a) In Quebec: Old age security, $297,931,760; Guaranteed income supplement, $66,181,574; Total, $364,113,334. (b) In Ontario: Old age security, $475,408,561; Guaranteed income supplement, $75,201,906; Total, $550,610,467.

[*English*]

CREATION OF INFLATION BY TAX PROPOSALS

Question No. 1,657—**Mr. Robinson:**

Has the federal government considered the possibility of inflation being created by the "tax proposals" and, if so, will this be rectified and in what manner?

Hon. E. J. Benson (Minister of Finance): The possibility that implementation of the White Paper proposals for tax reform might have inflationary effects has been considered and the Government believes that this would not be a result.

DUPARQUET, QUEBEC—REQUEST THROUGH ARDA FOR ASSISTANCE IN ORGANIZING TOURIST PARK

Question No. 1,683—**Mr. Laprise:**

Has the Quebec Government made a request through ARDA for a federal contribution toward the organization of a tourist park in Duparquet, Quebec and, if so, when was this request made and what amount was involved?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): No, however in March 1969 the federal government agreed to assume under ARDA 50 per cent ($12,500) of the cost of a study of tourism and recreation for the northwest region of Quebec.

QUESTIONS PASSED AS ORDERS FOR RETURNS

EXPORT OF CATTLE

Question No. 1,366—**Mr. Godin:**

1. Since 1962, has the Canadian Government taken part in the exporting of cattle and, if so, under which program and to what countries have such sales been made?

2. Were such sales dairy or beef cattle?

3 What are the names and addresses of the Canadian producers who sold the animals?

4. For each, what were the number and total price obtained for sales of (a) cattle under 6 months of age (b) cattle under 1 year (c) cattle under two years (d) cattle 2 years of age and over?

Return tabled.

OCCUPATIONAL TRAINING PROGRAM

Question No. 1,384—**Mr. Paproski:**

1. What courses are available for men and women with grade six education or less who desire occupational training?

2. What proportion of Canada's unemployed are enrolled in occupational training programs?

3. How many Indians, Metis and Eskimos are enrolled in occupational training programs and, what courses are they taking?

4. How many women are enrolled in occupational training programs and, what courses are they taking?

5. (a) How many people who receive occupational training are employed subsequently (b) what proportion of these people remain employed in year round occupations for at least three years?

6. What incentives exist for employers to provide training or re-training for workers?

7. What proportion of the regular wage are employers required to pay workers who are receiving on-the-job training?

8. What are employers' obligations to workers who are about to be displaced through changes in technology?

9. What percentage of the workers, who receive occupational training, subsequently receive mobility grants?

10. What occupational training programs exist aimed at particular disadvantaged groups (a) hard-core unemployed (b) native peoples (Indians, Eskimos, Metis) (c) women (d) men and women under 21?

11. How many people are receiving assistance through OTA for completion of Grades 11 and 12?

12. How often are schedules of re-training allowances revised?

13. What are the per capita costs of the various occupational training programs financed wholly or partially by the federal government?

Return tabled.

Orders for Returns

INDIAN RESERVE COMMUNITY PASTURES, SASKATCHEWAN AND ALBERTA

Question No. 1,570—**Mr. Burton:**

With respect to the community pastures listed in answer to Question Number 1,031 (a) how many cattle were pastured on each reserve in 1969 which were owned by members of an Indian band (b) how many cattle were pastured on each community pasture in 1969 which were owned other than by members of an Indian band (c) with respect to Part (b), what is the name and address of each owner and how many cattle did each owner have in the pasture (d) how many cattle owned by members of an Indian band is it planned to have on each pasture in 1970 (e) how many cattle is it planned to have in each pasture in 1970 which are not owned by members of an Indian band (f) with respect to Part (e), what is the name and address of each person who has been authorized or allowed to have cattle in the pasture in 1970, and how many cattle has each such person been allowed to have in the pasture?

Return tabled.

BATH-MILLHAVEN PRISON

Question No. 1,595—**Mr. Alkenbrack:**

1. What is the total amount of the projected contractual outlay proposed for the construction and completion of the Bath-Millhaven Prison complex?

2. How many contracts have been let, to date, in connection with the construction of this prison?

3. What are the names of each successful bidder in the contracts which have been let?

4. What were the amounts of each bid, from the lowest to the highest?

5. How many more contracts will it be necessary for the government to let in order to complete the project?

6. What has been the method of inspection of each of the contracts performed and/or in performance?

7. What is the name of each inspector employed by or acting for the government on each of these Bath-Millhaven Prison contracts?

Return tabled.

Mr. Baldwin: Mr. Speaker, I do not think I heard the Parliamentary Secretary refer to question No. 1,646. If he did, I apologize to him. This is a simple question with the facts lying squarely and immediately within the knowledge of the government. It deals with the *S. S. Oronsay* and in view of the public anxiety it should be answered. I hope the Parliamentary Secretary will direct his very intelligent mind to this question and that it will be answered soon.

Mr. Orlikow: Mr. Speaker, on December 19 I put question No. 773 on the Order Paper asking for information about a study being conducted on housing policy and urban problems for the Minister without Portfolio in charge of housing. It is more than four months since I put the question on the Order Paper. It is a fairly simple question and I hope it will not be too long before I get the answer.

[Mr. Paproski.]

Mr. Fairweather: Mr. Speaker, on April 19 I placed question No. 1284 on the Order Paper after a most interesting statement by the Prime Minister to students at Carleton University about our policy toward the Republic of South Africa. I asked the President of the Privy Council some days ago about hastening the answer. It is a pretty simple answer and I should like to have it soon, please.

Mr. Macdonald (Rosedale): I will look into the matter, Mr. Speaker.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—USE OF OTHER METHODS OF CONTROL

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question I should like to direct to the Prime Minister. As steadily rising interest rates have not slowed inflation during the last four years but rather have added to costs which have driven prices higher, thus causing inflation to increase at a steadily accelerating pace, will the government now give consideration to other methods of combating inflation, particularly the method of controlling price rises through tax incentives, before the government's policy of restricting economic activity and causing unemployment to rise drives this country into a depression from which it may take many years to emerge?

Right Hon. P. E. Trudeau (Prime Minister): That is a very interesting speech, Mr. Speaker. I will take up the substance of it with the Minister of Finance. Thank you very much.

Mr. Baldwin: It is about time you started.

Mr. Hees: A supplementary question, Mr. Speaker. Would the Prime Minister be willing to debate this vitally important matter publicly at a time and place of his own chosing?

Mr. Trudeau: Well, Mr. Speaker, perhaps I would consider, if the hon. member resigned his seat, speaking against him in his riding in the by-election.

Some hon. Members: Oh, oh.

Mr. Hees: No, Mr. Speaker, we do not have to wait until the hon. member resigns, which he has no intention of doing. I challenge you to face me in a debate; you will not accept it because you know your policies will not stand up to public scrutiny.

Some hon. Members: Hear, hear.

Mr. Hees: If you have any courage, accept that challenge on behalf of the government.

Mr. Speaker: Order, please.

Mr. Muir (Cape Breton-The Sydneys): That's right. Put up or shut up.

CONSUMER AFFAIRS

ACTION RESPECTING FURTHER INCREASE IN PRICE OF COFFEE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs regarding the announcement by General Foods Limited of Canada, a subsidiary of General Foods Corporation of the United States, that they are now increasing the price of coffee by six cents a pound following an increase of four cents a pound last December and also last October, thus bringing about a very considerable increase of some 14 cents a pound over a period of six or seven months. Does this increase come within the guidelines that were set down at the price stability conference? If not, what action is the minister's department proposing to take with regard to this increase?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, it is believed that all these increases are due to increasing world prices from exporting nations, and the hon. member has undoubtedly seen such statements over the past six months. However, the matter was brought to the attention of the Prices and Incomes Commission some little while ago.

Mr. Baldwin: They are no longer the housewife's friend.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have seen the statements to which the minister refers. Since it is the minister's responsibility to see whether these are valid reasons or merely excuses for these increases, I am asking whether his department has secured the necessary information to determine whether these three successive increases in the price of coffee were warranted or were just exorbitant profiteering? If the latter, what action does the minister propose to take?

Mr. Basford: Mr. Speaker, I said a moment ago that the matter had been brought to the attention of the Prices and Incomes Commission some little while ago. It is the commission's responsibility to determine the factors that the hon. member has raised.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Will the findings of the Prices and Incomes Commission be made public? We have had matters referred to them for some time and nothing seems to happen. Will the minister undertake to publish the findings of the Prices and Incomes Commission with regard to these particular increases?

Mr. Basford: Mr. Speaker, all the findings of the Prices and Incomes Commission as a result of their price reviews will be made public. Quite a number have already been made public. I am sorry that the leader of the New Democratic Party is not aware that several reports have already been tabled in the House.

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker. Would the minister prevail upon the Chairman of the Prices and Incomes Commission, who comes under the minister's direction, to stop making speeches throughout the country long enough to enable him to appear before the committee more often than once every three weeks?

FORECAST INVESTMENT EXPENDITURES AND ANTI-INFLATION POLICY

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Following the announcement last week that the general investment plans of Canadian companies for the forthcoming year call for expenditures of approximately 14 per cent more than last year, does the Prime Minister not consider that this evidence ought to call into serious question his whole anti-inflation policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not aware of the facts the hon. member refers to. I will look them up and draw my own conclusions.

Inquiries of the Ministry

DEPARTMENTAL POSITION ON INVESTIGATION OF PRICE INCREASES

Mr. Max Saltsman (Waterloo): A supplementary question to the Minister of Consumer and Corporate Affairs. Would the minister clarify his position and that of his department regarding the matter of inquiry into price increases? At one time the minister accepted that responsibility. Is he saying now that the Prices and Incomes Commission only—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member but he will appreciate, I am sure, that he cannot ask the minister to make a statement at this time, by way of a reply to a question asked during the question period, that ought to be presented to the House by way of a statement on motions.

Mr. Saltsman: Mr. Speaker, may I rephrase the question. Would the minister consider making a statement on motions, in view of the confusion that surrounds his role and that of his department?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have had on the Order Paper for some time a motion to establish a committee, which would provide an excellent forum for such debate. I believe the House Leader has indicated that the motion will be proceeded with this week.

GRAIN

WHEAT—ALTERNATIVES TO ACREAGE REDUCTION PROGRAM

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a question to the Prime Minister. In view of the continuing emergency in western Canada and since the great majority of western farmers have rejected the LIFT program, is the government considering any alternatives? Also, will the Prime Minister consider reassigning the Minister of Agriculture and the Minister without Portfolio in charge of the Wheat Board to other portfolios where they can do less damage?

Mr. Speaker: Order, please. That question in those terms, as the hon. member will appreciate, is not acceptable.

URANIUM

REQUEST FOR STATEMENT ON GOVERNMENT INTENTIONS REGARDING INDUSTRY

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in view of the unfortunate absence of the ministers concerned with commercial affairs, may I direct my question to the Prime Minister. As a result of the government announcement about three weeks ago with regard to the possible takeover of Canadian Denison Mines, the subsequent negotiations by the owners of that company with the government, the statements made within the last few days by the president of Canadian Denison, and the uncertainty of the situation at Elliot Lake, I wonder whether we could have a definitive, up-to-date statement of the government's intentions with regard to these matters and what the government has in mind to take care of the long-range problems of the uranium industry?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, with regard to the long-range problems I did state that these would be the subject of a statement by the government when we are ready to make it. If there is anything further to report I will discuss it with the minister and see if he wants to make an interim report.

Mr. Lambert (Edmonton West): A supplementary question, Mr. Speaker. Is the government indicating publicly that it intends to cease purchasing uranium ore for stockpiling?

Mr. Trudeau: Mr. Speaker, I will have to refer this to the minister.

BRIDGES

OTTAWA-HULL—PRINCE EDWARD ISLAND CAUSEWAY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, in the continuing absence of the Postmaster General I have a question for the Minister of Regional Economic Expansion which is prompted by the ministers' recent announcement of a new bridge to be built to Hull by the National Capital Commission. Considering that there is also an election in Prince Edward Island, will the minister follow his promise of a bridge for Bourassa with a causeway for Campbell?

Some hon. Members: Hear, hear!

CONSUMER AFFAIRS

ALLEGED MISLEADING ADVERTISING OF GERITOL AND FEMIRON

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. In view of the fact that the United States government has filed a suit against the manufacturer of Geritol and Femiron and its

advertising agency for claiming in television commercials that the products will help that tired, run-down feeling, does the minister propose to take similar action to protect the Canadian consumer against such false and misleading advertising?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think the hon. member knows that health claims are a responsibility of my colleague, the Minister of National Health and Welfare.

Mrs. MacInnis: Mr. Speaker, this is not a matter of health claims at all; it is a matter of false and misleading advertising, and the United States government is prosecuting in this matter.

Some hon. Members: Hear, hear!

Mr. Speaker: Order.

Mr. Hees: Stand up and answer like a man.

Mr. Basford: Mr. Speaker, a question of privilege—

Mr. Speaker: Order, please. The hon. member is rising on a question of privilege.

Mr. Basford: I rise on a question of privilege, Mr. Speaker, with respect to the statement by the hon. member for Prince Edward-Hastings. It was clearly Your Honour's intention not to allow me to answer the question. Therefore I think it should be recorded that I remained in my seat as a result of directions from the Chair.

Some hon. Members: Oh, oh.

Mr. Hees: On the question of privilege—

Mr. Speaker: Order, please. I am sure the hon. member can answer but perhaps the statement made by the minister might also apply to the hon. member. We will go on to another question. I really do not think there is a question of privilege. If there is not, the matter should not be pursued.

Mr. Hees: It was equally obvious, Mr. Speaker, that the minister had no intention of replying at all, as usual.

Mr. Speaker: Order, please. Perhaps the hon. member for Vancouver-Kingsway has a supplementary.

Mrs. MacInnis: Yes, Mr. Speaker, I have a supplementary. If the minister feels unable to handle alone this matter involving false and misleading advertising, is he willing to consult with his colleague, the Minister of National Health and Welfare, to see if between them they can find some way of overcoming this tired and rundown feeling?

Some hon. Members: Hear, hear.

Mr. Basford: Mr. Speaker, first with respect to the matter of health claims, in order to clarify my previous answer may I say that we take advice in so far as whether or not anything is misleading from the experts on health in the government, namely, the officials of the Department of National Health and Welfare. When they advise us a health claim is misleading, we take the action. We have consulted on this before and we will consult again.

VETERANS AFFAIRS

VETERANS ALLOWANCES—ACTION TO COMPENSATE FOR DECREASE

Mr. Robert Simpson (Churchill): I have a question for the Minister of Veterans Affairs but in his absence I will direct it to the Acting Minister. In view of the fact that retired civil servants are currently receiving their pension cheques with the first increase which was recently granted and that those in receipt of veterans allowances are finding a corresponding decrease in the moneys they are receiving, does the government plan amendments to the veterans allowance legislation to raise the ceiling in this respect?

Mr. Speaker: Order, please. I have the impression this question was asked previously. In view of the importance of the matter, perhaps the minister might reply.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the minister is unavoidably absent today. I will see that he gets notice of the question at the earliest possible opportunity and provides an answer to the hon. member.

THE CANADIAN ECONOMY

INFLATION—REGIONAL APPLICATION OF ANTI-INFLATION MEASURES

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Regional Economic Expansion. Was the minister expressing government policy in Toronto on Saturday night when he said that regional economic disparity was now the No. 1 problem in Canada? If so, does this now mean that the government's fight against inflation will be conducted on a regional basis?

Inquiries of the Ministry

Mr. Speaker: Order. A question asked in those terms is not in order. The hon. member knows that he should direct the question to the Prime Minister and ask whether the statement made outside the House represents government policy.

Mr. McGrath: On Your Honour's advice I will rephrase and redirect the question. I ask the Prime Minister if the Minister of Regional Economic Expansion was expressing government policy in Toronto on Saturday when he said that regional economic disparity is the No. 1 problem in the country? Consequently, can we now expect a change in government policy in fighting inflation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, because it is such an important priority, our fight against inflation has always taken into account the regional disparities in Canada. The budget of the Minister of Finance indicated this and our very high expenditures with regard to regional economic expansion confirm this.

Mr. McGrath: A supplementary question, Mr. Speaker. Would the Prime Minister be good enough to convey that information to the premiers of the regionally disadvantaged provinces of Canada?

Mr. Trudeau: I am quite sure they are aware of it, Mr. Speaker.

Mr. John Lundrigan (Gander-Twillingate): In view of the fact that the Prime Minister has indicated that this is now the No. 1 priority facing the nation, is he prepared to put his money where his adequate mouth is in this respect?

Mr. Speaker: Order, please. I suggest to the hon. member this type of question is quite unacceptable for many reasons.

MANPOWER

YOUTH PROGRAMS TO ALLEVIATE UNEMPLOYMENT

Mr. Lorne Nystrom (Yorkton-Melville): My question is for the Minister of Manpower and Immigration. In view of the fact that the March unemployment statistics have revealed that nearly 40 per cent of the unemployed in Canada are under the age of 25, can the minister indicate to the House whether his department has begun any new youth programs that might help alleviate this situation?

Mr. Speaker: I suggest to the hon. member the question he has asked should be answered by way of a statement. The minister may want to indicate whether such a statement will be made in due course.

Mr. Nystrom: Can the minister indicate whether he is prepared to make a statement on this situation within the next week?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): No, Mr. Speaker.

IMMIGRATION

TRANSFER FROM PENITENTIARY TO ANOTHER INSTITUTION OF MAN UNDER DEPORTATION ORDER AND NEEDING SPECIAL CARE

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Manpower and Immigration. In view of the fact that a United States citizen, an inmate of Prince Albert penitentiary, completed serving his debt to society on January 28 last but is being held on a deportation order to the United States, and in view of the fact that this man is desperately in need of specialized individual care, will the minister say whether he will immediately initiate plans to have this man admitted to an institution other than a penitentiary until the deportation order can be carried out?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I heard about this case just today, Mr. Speaker. I will investigate and see whether any better arrangements can be made for this person's care.

Mr. Skoberg: A supplementary question. In view of the fact that United States hospitals have already refused admittance to this man, what facilities do we have in Canada to care for people in this type of situation other than leaving them in a penitentiary?

Mr. Speaker: Order, please. The supplementary should be placed on the Order Paper. The first question was quite in order, but not the supplementary.

EXTERNAL AFFAIRS

POSSIBLE WITHDRAWAL OF DENMARK FROM NORTH ATLANTIC FISHERIES COMMISSION—EFFECT ON SALMON RESOURCES

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Secretary of State for External Affairs. Has the minister received any indication from the Danish Minister of Fisheries, Hon. A. C. Norman, that Denmark may withdraw from the North Atlantic Fisheries Commission if the other

member nations insist on a ten-year total ban on high seas fishing for salmon in the north Atlantic? If so, in view of the implications this action would have on our resources control, what response has the minister given?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Like the hon. gentleman, Mr. Speaker, I have read this in the newspapers. I have not yet received direct information from the Danish government.

Mr. James A. McGrath (St. John's East): A supplementary question. In view of the importance of this question to Canada's Atlantic salmon fishery, is the minister prepared to call in the ambassador of Denmark and discuss this matter with him?

Mr. Sharp: Mr. Speaker, if that seems the best way of handling the matter, the answer is yes, but it might be more desirable to make our representations in Denmark.

LABOUR

EMBLEM ON MINISTER'S LETTERHEAD

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Minister of Labour. I ask the minister the reason for changing the emblem, insignia or design on his letterhead. Would the minister be so kind as to explain this to the House and advise under whose authority it was changed?

Mr. Speaker: Order, please. I am not sure what the hon. member's question refers to in detail. I respectfully suggest to the hon. member that the question might well be placed on the Order Paper. If it is a matter of urgency, it can be considered at the time of adjournment. The question can be placed on the list of questions to be debated on the motion to adjourn this evening.

Mr. Muir (Cape Breton-The Sydneys): With all due deference and respect to Your Honour, I rise on a point of order. There is an element of urgency. Daily since it appeared many members have been trying to decipher this code, emblem or whatever it is. I think it is urgent to the extent that many members are spending time on this when they should be working on something else.

Mr. Speaker: Order, please. It may well be urgent as the hon. member suggests. My suggestion is that it be considered at the time of adjournment.

[*Later:*]

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Labour and is related to the previous question I posed. May I ask the hon. gentleman if this hieroglyphic that appears on his letterhead could be some form of graffiti which appeared on a wall some place?

CITIZENSHIP

PROVISION OF INFORMATION ON GROUNDS FOR REFUSAL

Mr. Harold E. Winch (Vancouver East): I wish to direct a question to the Prime Minister on a matter that is becoming more and more urgent in my ethnic riding of Vancouver East. I ask the Prime Minister if, with his motivation toward a just society, any policy action is anticipated at this session to ensure that no person is denied citizenship or landed immigrant status without any reason or objection being given to the applicant in order that the applicant will know the allegations and be in a position to refute any charge if it is false?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I can only answer to the extent that the Secretary of State, under whom the citizenship laws come, is reviewing the situation of citizenship and the laws relating thereto and will be reporting to cabinet on the matter. I cannot indicate a date at this time.

TAXATION

WHITE PAPER ON REFORM—APPOINTMENT OF DIRECTOR OF REVALUATION AND ASSESSORS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Minister of Finance. In view of the fact that there has now been appointed by the government a director of revaluation for the five-year capital gains tax plan under the white paper on tax reform, together with five assessors of valuation, are we now to take it that this part of the white paper has become firm and is no longer subject to negotiation or change?

Mr. Speaker: The hon. member for Annapolis Valley.

INFORMATION

MASS MEDIA GUIDELINES—RECOMMENDATIONS OF SENATE COMMITTEE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Secre-

tary of State and refers to the submission made by the Secretary of State before the Davey committee on the mass media last Friday. In view of the minister's statement that officials of his department are working on guidelines for the control of the mass media, do the minister and the government intend to await the recommendations of the Davey committee before defining those guidelines?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, first of all, I think that the phrase "control of the mass media", which perhaps goes beyond what the hon. member has in mind, and it certainly does in my case, does not appear in my testimony before the Davey committee.

The question of information monopolies, because that is what we are talking about, I presume, has, as a matter of fact, been under study in my department for many months. I told the Davey committee that the work was far from over as this is a very complex question, both in fact and in law, and that guidelines would certainly not be given to the CRTC tomorrow. That means that, most likely, the Davey committee will publish its report before any guidelines are given to the CRTC.

[*English*]

Mr. Nowlan: A supplementary question. Does the work that is now being done by officials in the minister's department include and extend to attempting to define Canadian content for the press, the written media, so that the national press can foster and promote national unity in accordance with certain guidelines laid down by the government?

[*Translation*]

Mr. Pelletier: No, Mr. Speaker. I think that the hon. member has an entirely wrong concept of the work and, above all, of this question. The point is to know what constitutes an information or broadcasting monopoly. It does not mean at all trying to direct the press or the broadcasting system of this country, particularly not as regards the views that they may express freely.

[*English*]

POLLUTION

CHEDABUCTO BAY—PAYMENT OF COMPENSATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct my question to the Minister of Justice. In light of the activity taking place in connection with the $1,300,000 pool set up by charter parties to clean up oil spills, can the minister indicate when those individuals who were affected by the oil spill in Chedabucto Bay might receive some procedural directions as to their recourse?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, any announcement about this serious matter would be made by my colleague the Minister of Transport.

Mr. Forrestall: A supplementary question, Mr. Speaker. Could the minister give some indication as to time? Time is going by and the initial fund is being depleted and used up for other reasons.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I think the timing will depend on the Minister of Transport. I really cannot add anything to what I have said.

HEALTH AND WELFARE

INCLUSION OF DENTAL CARE IN MEDICARE LEGISLATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of figures issued a few days ago by the Dominion Bureau of Statistics which show that fewer than 42 of every 100 Canadians receive dental attention in any one year, can the minister say whether the government is giving consideration to including dental care in the medicare legislation?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, it is not one of the areas of prime concern at the moment.

TRANSPORT

DECREASE IN CNR SYDNEY-ARGENTIA FERRY SERVICE

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Acting Minister of Transport in the absence of the Minister of Transport. Can the minister say whether he has received protests from the town and community councils of the Placentia East area of Newfoundland against the decision of Canadian National to decrease ferry service on the Sydney-Argentia run, with the possibility of discontinuing the service altogether?

Hon. John N. Turner (Acting Minister of Transport): Mr. Speaker, I will take that question as notice on behalf of the Minister of Transport.

Mr. Carter: A supplementary question. In view of the fact that protests are being registered against this proposed decrease in service, would the minister undertake to discuss the matter with Canadian National with a view to having them abandon their plans to decrease the service and eventually discontinue it altogether?

Mr. Speaker: The hon. member is making a suggestion which he will have to assume the minister will take into account.

LABOUR CONDITIONS

LAY-OFFS AT YARMOUTH TEXTILE PLANT RESULTING FROM CLOSING OF DUNLOP TORONTO PLANT

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the fact that the Dunlop plant in Toronto is closing on Thursday, can the minister tell the House how many lay-offs, if any, will occur at the Yarmouth textile plant and what action will be taken to overcome this situation?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, it is true that when the Dunlop plant ceases activity this will have some effect, I understand, on the Yarmouth plant. We are aware of this. We have made some effort to identify the extent of the problem and if there are projected lay-offs we will offer to Yarmouth all of the services which we are currently offering to the Dunlop employees, and which we think will be very helpful to the situation.

Mr. Comeau: A supplementary question, Mr. Speaker. The minister stated previously that he was going to look into the effects and study them. He also said he would offer other employment to these people in Yarmouth. I suggest that there is none in Yarmouth under the ordinary program of the government.

LAY-OFFS BY DUNLOP CANADA LIMITED—RESPONSE BY ONTARIO MINISTERS TO TELEGRAMS FROM FEDERAL MINISTER

Mr. John Gilbert (Broadview): Has the minister received a reply to the telegrams that he sent to the Minister of Labour and the Minister of Trade and Development of Ontario in regard to any help that the federal government would give the provincial government in arriving at a feasibility plan to keep the Dunlop plant open? If he has not, what steps does he intend to take to get direct answers from those provincial departments?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, on my last check I had received no reply from either of the Ontario ministers. We are, however, working on our own in the Dunlop area with our manpower programs. I do not propose to take any further steps to get a reply to the messages that I sent some weeks ago.

Mr. Gilbert: A further supplementary question. Is the minister aware that his manpower facilities have yielded less than 10 per cent of employment opportunities for those employees at—

Mr. Speaker: Order. I suggest to the hon. member that this question is not in order.

LAY-OFFS BY DUNLOP CANADA LIMITED—LEGISLATION TO ASSIST WORKERS IN SIMILAR SITUATIONS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a supplementary for the Minister of Labour. Could the minister inform the House whether or not the federal government is giving consideration to legislation that would enable workers in the Dunlop kind of situation to have a more effective say in dealing with decisions that are made outside Canada?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the hon. member knows that the Dunlop situation falls within the provincial field. The federal role, particularly that of the Minister of Labour, is very difficult in this sort of situation. I am afraid that the Dunlop lay-off has come about as a result of an international rationalization of an industry. With this type of international labour decision being made outside the country, the labour force and the government are becoming more and more helpless. While these decisions are very deplorable and do have an adverse effect on the labour market in Canada, we are almost helpless in light of the situation.

Mr. Broadbent: A further supplementary question. Is the minister saying that there is nothing the federal government can do in this area? This is an important point of clarification.

Mr. Mackasey: I did not say that, Mr. Speaker. I said that appropriate legislation in this field is particularly difficult because of the international connotations of the Dunlop decision.

INQUIRY OF THE MINISTRY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, in the absence of the Minister of Finance I will direct my question to the Prime Minister. Does the government of the right hon. gentleman intend to follow the example of its friends in Quebec and print currency that is partly blank to show the effects of inflation?

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—EXTENSION OF HARVEST DEADLINE

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Agriculture relating to the LIFT program. Inasmuch as many farmers in the north central and northern parts of the prairies have indicated they will be unable to take advantage of the provisions of the LIFT program as it relates to the planting of nurse or cover crops because of the lateness of the planting season and the July 15 harvest deadline, can the minister say whether any consideration is being given to extending the harvest deadline to meet the climatic realities of these areas?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the date of July 15 when cover crops would have to be removed or when any farmer would be permitted to seed a cover crop, of course, is about the middle of the summer for all regions. I think we should dispel any misunderstanding about the purpose of a cover crop. It is not primarily designed for the purpose of growing a crop of any great value but to prevent soil erosion in those areas where there is a high risk of soil erosion from large areas of summerfallow.

Mr. Mazankowski: I have a supplementary, Mr. Speaker. Would the minister answer my question? I asked whether any consideration is being given to the considerable representations being made by the farmers in the northern part of the prairies for the extension of this deadline.

Mr. Olson: Mr. Speaker, if the hon. member will examine the answer I gave he will notice that the answer to his question is very clear and specific in that respect.

[Mr. Broadbent.]

WHEAT—NUMBER OF FARMERS WHO WILL QUALIFY FOR PAYMENTS UNDER ACREAGE REDUCTION PROGRAM

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, could the Minister of Agriculture indicate if he has made an assessment to determine what percentage of western farmers will, in fact, benefit from the LIFT program?

Hon. H. A. Olson (Minister of Agriculture): Of course, Mr. Speaker, all farmers in western Canada will benefit because if the LIFT program is successful it will substantially strengthen our bargaining position in the international market.

Mr. Yewchuk: I have a further supplementary, Mr. Speaker. I was not referring to the generalities of the program. I wondered whether or not the minister could possibly tell me what number of people will qualify for cash payments under this program?

Mr. Olson: All farmers who were farming in 1969 and who had a permit book have this offer open to them and, therefore, they can benefit if they choose to do so. In respect of the other part of the question concerning how many farmers will in fact apply for the wheat acreage reduction benefit, this of course will not be known until seeding is completed in western Canada. We do not expect all the applications to be in until farmers have finally decided what pattern their seeding and summerfallow operations will take.

AGRICULTURE

USE OF 2-4-5T HERBICIDE

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to ask the Minister of Agriculture a direct question. It has to do with the use of the weed chemical 2-4-5T and it is further to his answer to my question on April 21 that the use of this herbicide is continuing to be reviewed. In view of the fact that the main application of this type of chemical will commence in some three weeks time, can the minister inform the House if it is his intention to ban the use of this chemical or is the matter still under review?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we have indeed restricted the use of this herbicide, and several pesticides, in respect of preparation which may be licensed. It may be that we will further restrict the use of 2-4-5T. I would draw to the hon. member's attention, however, that there has been no residue of this chemical found in any

food and, indeed, if there should be the Food and Drug Directorate would withhold that food. In other words, there is a nil tolerance.

Mr. Gleave: In view of the fact that the threat in respect of this chemical is not the residue which may be left in plants but rather its effect on people who may use it, will the minister undertake in the near future to make a statement on motions concerning the use of this chemical and outline the manner in which it may be used.

Mr. Olson: Yes, Mr. Speaker. As I said in my previous answer a few days ago, this question is under active review at the present time.

EXTERNAL AFFAIRS

DISCUSSIONS WITH UNITED STATES ON USE OF PICLORAM TO DEFOLIATE BORDER

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Secretary of State for External Affairs. On two or three occasions I have raised with him the question of the use of picloram for the purpose of defoliating the Canada-U.S. border and he stated his intention to look into the matter further to see if it could not be reconsidered. Has the minister any further information on this subject?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I think, Mr. Speaker, I have very little I can add to what I said previously. We have inquired into the possible damage and we have been assured that it is safe to use this chemical in the border areas. All the information I have is a reassurance on that point.

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a related question for the Secretary of State for External Affairs. It concerns the projected transportation of nerve gas from Okinawa to this continent. A week ago the minister said he would give the House some information. Can he tell us now whether the United States government has acceded to the continued request that another route be found so that the nerve gas will not pass through the Strait of Juan de Fuca and whether he has any information concerning the date when the transfer is to take place?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As the House will have noticed, we have been receiving some support from governors of states through which the nerve gas would pass. Apparently the United States government has not decided whether or not it will pay any attention to these protests as well as to ours.

IMMIGRATION

POLICY RESPECTING POLISH-JEWISH REFUGEES

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. Will the minister state when the government will have a policy regarding Polish-Jewish refugees.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, we do have a policy with regard to these refugees.

LABOUR CONDITIONS

PROSPECTIVE LAY-OFF OF CPR CLERKS—LEGISLATION BASED ON FREEDMAN REPORT

Mr. David Orlikow (Calgary North): Mr. Speaker, this question is directed to the Minister of Labour. In view of the announced lay-off of between 500 and 800 employees of the CPR, an industry which does come under the jurisdiction of the federal government, can the minister indicate whether the government intends to bring forward in the near future legislation based on the Freedman commission report which would deal with this kind of lay-off?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the hon. member should know that, under the present collective agreement between the CPR and members of the affected union there is a provision for this type of advance notice. The difference of opinion between the railway and the union concerns whether a section of the collective agreement has been violated. I am now informed by the union that the matter is to go to arbitration in order that a decision may be rendered.

Mr. Orlikow: In view of the fact that there is a dispute concerning whether or not this action is covered, and in view of the fact that many agreements do not have that kind of provision, can the minister indicate whether the government intends to bring in legislation incorporating the recommendations in the Freedman report?

Farm Products Marketing Agencies Bill

Mr. Mackasey: Mr. Speaker, the hon. member knows that no collective agreement is so carefully drafted that there are not cases sent to arbitration. This is the situation here, and I have full confidence that the unions are quite capable of looking after themselves in this particular dispute.

HEALTH AND WELFARE

REQUEST FOR STATEMENT ON QUARANTINING OF "ORONSAY"

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Would the minister seize the first opportunity to advise the House, by statement or otherwise, of all the facts surrounding the P & O Steamship *Oronsay* which was quarantined in Vancouver and the relationship of this matter to his department? In doing so would he refer to the question I have on the Order Paper, which is unanswered, having in mind the allegations made?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I made note of the hon. member's reference to his question of April 7 not having been answered. I expect the answer to be forwarded within the next couple of days, and if the hon. member finds that answer insufficient he can let us know.

Mr. Baldwin: I have a supplementary question, Mr. Speaker. I thank the minister for his answer. Would he also take this opportunity to deal with all the facts surrounding this vessel, the quarantine enforced in respect of typhoid and the relationship of officers in his department which have been the subject of some discussion?

Mr. Munro: I am prepared to go into that subject in as much detail as possible in answer to the hon. member's question.

Mr. Speaker: Orders of the day.

• (3:10 p.m.)

GOVERNMENT ORDERS

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

The House resumed from Tuesday, April 14, consideration of the motion of Mr. Olson that Bill C-197, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be read the second time and referred to the Standing Committee on Agriculture.

[Mr. Orlikow.]

Mr. Macdonald (Rosedale): Mr. Speaker, I wish to rise on a point of order. There were some discussions earlier today concerning debate on this bill and it was pointed out that the hon. member for Kent-Essex (Mr. Danforth), who is the official spokesman for the official opposition, had not had an opportunity to participate in the debate. I think there might be agreement in the House to enable him to do so.

Mr. H. W. Danforth (Kent-Essex): Thank you, Mr. Speaker. I should like to begin by expressing my sincere thanks and appreciation for the courtesy that has been extended to me by the various parties of this House in allowing me to proceed with the criticism of the bill. The necessity for this procedure arises because the hon. member for Mackenzie (Mr. Korchinski), who began his speech the other night, is ill and unable to complete a very commendable statement on this subject.

In dealing with Bill C-197, which is a bill to institute in Canada a national farm products marketing council and national marketing agencies for farm products, we are dealing with what I consider to be one of the most important pieces of legislation to be brought forward with regard to agriculture in the current session. I say this because of the fact that should this legislation be passed in its present form or even in an amended form, no section of agriculture in Canada or, in fact, any allied business will remain unaffected to a large degree.

The minister in his introductory remarks indicated quite correctly that legislation along this line has been sought for a number of years. Various farm commodity groups, marketing agencies and farmers in general, have been asking the federal government for this type of legislation. I think they were justified in doing so because it has been the experience of the administrators of marketing agencies on a provincial level that often great advances have been made in stabilizing the prices which the primary producers were receiving for their commodities and at the same time creating stability in the marketing of these very products. All too often it has been our experience that whenever there were inter-provincial or international move-

ments of these commodities, the provincial marketing agencies lost control, and all too often the market that they had established for their own membership became of benefit to areas or regions outside their control. Their experience has been very costly in many instances.

I maintain that there are some important differences between the bill presented to us today and the legislation under which the marketing agencies received their jurisdiction from provincial authorities. I note in an editorial in one of the daily farm papers in my own province of Ontario an indication that my party has gone on record as opposing the proposed national farm act because it gives too much power to the federal government. The editorial goes on to say:

> Yet the fact is that Mr. Olson's bill contains no more power than that which the Ontario farmer products marketing act has contained for more than 30 years.

The statement is absolutely incorrect. I would like to point out, for the benefit of this House, the primary differences about which we as representatives of the farm community are concerned and which make the present legislation very different from the provincial legislation. I should like to dwell for a few moments on the differences between the two. In a provincial scheme, generally speaking, no primary farm product is placed under an agency unless the following steps are taken in the following sequence: first, a group of the primary producers of this product petition the provincial government to form such a marketing agency; second, if this is thought to be a truly representative body, the government registers all the provincial producers and a plebiscite is held by ballot among all the primary producers to determine whether or not the majority feels that such a program should be introduced. This plebiscite would be carried out by the provincial government and a 66 per cent majority of those who cast their ballot would be required before such a scheme could be introduced.

Following this, the primary producers, at a meeting or meetings called specifically for this purpose, elect from among themselves the directors who will conduct the affairs of the agency, and from among these directors, officers of the agency are elected to conduct the affairs of the agency. These officers and directors are elected on an annual basis, so if there is any dissatisfaction, either with the administration of their duties or the representation of the primary producers, the producers may, at the next annual meeting, express their displeasure by changing the directors or even the officers.

The next step is equally important. If it is found that a particular agency is working to the detriment of the primary producers rather than to their benefit the provincial government can again be petitioned to hold a plebiscite on whether or not the agency should continue in being. If the agency fails to obtain a majority vote, the provincial government will dissolve the agency. This is a fair, just and democratic way of administering agencies.

• (3:20 p.m.)

It is at this point that I part company with the present bill because under this bill the government appoints the directors of both the council and the agencies. It is the government that decides whether or not there shall be an agency for any primary product. It is the government, not the producers, that designates who shall be the chairman, who shall be the vice-chairman, who shall be the men who create the policy for the agency. It is all right for the government to say, "Certainly, the producers and consumers will be considered and we shall choose an appointee for this particular purpose from among their ranks." But such an appointee, if he comes from among the primary producers, will be acting on behalf of the government from which he receives remuneration and not on behalf of the primary producers themselves. So, I say that although the principle of the bill is good, and marketing agencies need federal legislation to help them nationally, they do not desire, and I venture to say will not accept, state control through legislation such as we have before us now.

Some hon. Members: Hear, hear.

Mr. Danforth: Anyone who states there is nothing in this bill that has not been in provincial legislation just does not know and does not understand the industry.

Some hon. Members: Hear, hear.

Mr. Danforth: What are the actual powers of this government appointed bureau with its government appointed directors? These regulations go as far as to refer to any other thing that the directors may wish to do from time to time, and "any other regulation" that may be prescribed from time to time by the governor in council, all of which constitutes a blank cheque? We have a prime example of

this policy in the National Dairy Commission. Producers will need a licence if all the terms of this bill are implemented. Under this bill an agency will have the power to allocate quotas, to tell the farmers how much they may produce. This is already being done through the national dairy policy.

Mr. Olson: It is not.

Mr. Danforth: Not only are producers being told how much they may produce but there is a levy against any production over the amount that they are allocated.

Some hon. Members: Hear, hear.

Mr. Danforth: Mr. Speaker, can you imagine Canadian producers being fined for producing food in Canada? This is what is happening. Is this what the agricultural industry wants for its members? These agencies have the power to allocate quotas, to licence producers, to set up grading stations, to place feed lots—

Mr. Olson: May I ask the hon. member a question?

Mr. Danforth: Certainly.

Mr. Olson: It is a very simple question. Is he aware that all of these things he is talking about with respect to production controls are in the Ontario legislation?

Mr. Danforth: Mr. Speaker, certainly they are in the Ontario legislation.

Mr. Olson: Of course; it is all there.

Mr. Danforth: The minister says it is all there, but it is all there under the control of the representatives of the industry, not of a government bureau.

Some hon. Members: Hear, hear.

Mr. Danforth: It is the members of the industry who make the decisions, not rocking-chair generals.

Mr. Hees: That is the difference. Listen, Bud, and you will learn something about your own legislation.

Mr. Danforth: Mr. Speaker, not only does the agency have the power to allocate quotas, designate who shall produce, licence producers, control marketing, pricing, sales, processing, distributing and packaging, but under the new provisions set out here the agency can levy against producers all the expenses incurred in the administration of an agency, the office buildings of the agency and even, Mr. Speaker, the salaries and pension plans set up by the goverment for these government appointed directors. It is the producer who is going to pay, not the government, not the taxpayers, and all this is the work of a department which is supposed to promote the well being of the agricultural industry instead of decimating it.

Some hon. Members: Hear, hear.

Mr. Danforth: The thing that bothers me more than anything else is that the basis of this bill is the establishment of a means for supply management and production control in Canada. I think the minister would be the first to agree with me. This is the basis of the bill.

Mr. Olson: And that power is exclusively within provincial jurisdiction.

Mr. Danforth: At the present time.

Mr. Lambert (Edmonton West): Wait until this bill is passed.

Mr. Danforth: The minister says it is for supply management—

Mr. Olson: And production.

Mr. Danforth: What do we have under supply management? Who are the advocates of supply management? Naturally if I had a large well established business, with all the volume that I could handle, I would be a supporter of a bill such as this because I could set up a monopoly with the blessing of the government. Government regulations could prevent any young farmer in the nation from starting in competition against me and could prevent anyone else from extending his business to take a share of mine. Yes, Mr. Speaker, I would be in a comfortable pew and I would certainly support this bill. But anyone who has the welfare of the agricultural industry at heart, an industry that perhaps is going through its greatest financial crisis, will take a long look at this legislation which places such power in the hands of a government bureau.

The government is proceeding with this supply management effort and I am very much surprised because this was not the recommendation of its own task force. The government set up a task force to advise it on what was going wrong with agriculture, and I would like to quote that part of the report of

the task force which was submitted to the Congress on Agriculture. I am reading from the official document:

> Supply management of the all-pervasive type which would be in a position to allocate resources rationally, would have to include most farm products, would involve inspection, research, administration and control far exceeding anything that we have experienced in Canadian agriculture to date.

It goes on to say, and this is important:

> Such an extreme should be avoided at all costs if reasonably satisfactory alternatives exist.

And it concludes by saying:

> Fortunately there are alternatives, which, though not fully satisfactory should be given every opportunity before launching the "ultimate weapon" of supply management.

That is not all, Mr. Speaker. I would like to quote from some statements made by Secretary Freeman, former Secretary of Agriculture in the United States. The United States tried this idea. There is nothing new in supply management. There is nothing new in government control of supply management, but the United States learned a bitter lesson. I would like to quote from part of a speech by Secretary Freeman, to be found in "Successful Farming" of June, 1963:

> Only about one-fourth of our farm income is from commodities for which both production and pricing decisions have been relinquished by the individual to central authority. This includes wheat, cotton, rice, peanuts and tobacco. Yet this 25 per cent of agriculture accounts for about 75 per cent of farm program costs, 85 per cent of the accumulated stocks, and 95 per cent of the contraversy.

He went on:

> For two years the Administration made strong efforts to impose or extend mandatory controls to feed grains, dairy products, turkeys, broilers, and potatoes. These drives were made from deep conviction and with abundant willingness to spend public money—by a political party in firm control of both the Congress and the White House. None of these drives succeeded!
>
> The new farm policy proposals by the administration have been few rather than many and voluntary rather than mandatory.

• (3:30 p.m.)

It has been tried and it is a failure, yet we in this country are being asked to pass a bill to set up government control of supply. That is why we take a dim view of this legislation and the power it gives to the government. We do not think it can succeed.

Experience shows that the agricultural industry in Canada is in balance. Wherever something checks the free flow of primary agricultural product, there is a natural and an economic tendency to diversify into something more lucrative. Governmental control on one primary commodity brings about a shift to another commodity, which in turn means a further shift to another commodity and so on ad infinitum. This is why the task force report emphasizes that supply management cannot succeed unless there is government control over all the main primary products in agriculture today. But Mr. Speaker, this is not what the industry wants; it does not want to be fenced in. What primary producers want is greater emphasis on markets, particularly in the international field, not a cutback to satisfy our domestic markets in a shrinking international field. This is not competition. This is throwing in the sponge.

Some hon. Members: Hear, hear.

Mr. Danforth: What would be the effect on agriculture if all the powers the government requests in this bill were implemented? Maybe the government will never use these powers, but we have to assume there is an intention to use them. We, in the opposition, must deal with the bill on that basis.

It is my contention, Mr. Speaker, that if this bill is implemented in its present form not only the agriculture industry but the allied industries, the chemical plants, packing plants, distribution and processing plants will be reduced to the status of public utilities working on government directive only.

Mr. Hees: For shame.

Mr. Danforth: The minister indicated that the National Dairy Commission was a prime example of what could be accomplished.

An hon. Member: Heaven forbid!

Mr. Danforth: Although the appointees to this commission were supposed to represent the producers of the nation, in the actual fact they turned out to be public relations representatives of the government, selling government policy to the producers.

Some hon. Members: Hear, hear.

Mr. Danforth: If one thinks that a commission of this kind is going to be effective for the primary producers, one only has to look back to the time when the minister indicated to the industry that there would be a $10 million cutback, and that they should cut their coat according to their cloth.

Some hon. Members: Hear, hear.

Mr. Danforth: That is not misrepresentation from the industry, that is regimentation by

government. I am afraid that is what is going to happen under this bill.

Some hon. Members: Hear, hear.

Mr. Danforth: Mr. Speaker, in initiating such a bill and in initiating government policy, there has been an indication that legislation to move farmers off the farms will be introduced. If this measure is so good for farmers, they should be moving farmers onto the farms. It is a deliberate policy to desiccate agriculture. Is it not ridiculous that in Canada today, when the highest price in the history of our country is being paid for fluid milk, the government has embarked on a program to restrict its production? There does not seem to be any logic in this.

The terms of this bill imply that consumers will profit but, Mr. Speaker, consumers cannot profit under supply management. It just means additional costs to the producer and to the consumer.

Some hon. Members: Hear, hear.

An hon. Member: How about the tobacco industry?

Mr. Danforth: Experience has shown that the consumer does not profit, either. When this government reduced the tariff on the importation of head lettuce, for example, the consumer did not profit from that. This is an indication of what happens as a result of government intrusion and interference.

An hon. Member: What a mess they made.

An hon. Member: Dictatorship.

Mr. Danforth: I started by saying—

An hon. Member: When are you going to finish?

Mr. Danforth: —that we agree some form of control is necessary interprovincially and internationally. Farmers have found through bitter experience that their marketing agencies cannot compete with state trading nations or international food cartels. What they want from the government is aid in putting muscle into their efforts to enter the international market. Instead, the government brings in supply management control to curtail supply. The government will be the only one to benefit. There will be no problem connected with marketing surplus farm products because there will not be any more farms.

This bill, Mr. Speaker, completely transfers responsibility for all the major decisions connected with the agriculture and agro-business industries to a government bureau. The bill does not lay down the qualifications for the members of this bureau and we have learned from experience the criteria used by this government when placing people in office. It will not be their knowledge of agriculture which gains them a place. This is what bothers me about the bill before us. We have been asked to transfer the power of decision making from the industry to a government appointed bureau. Anyone reading this bill who has a knowledge of agriculture will realize that it was drafted by administrators for administration purposes and not by anyone with a knowledge of agriculture.

In conclusion, Mr. Speaker, I should like to say this. During debate on this bill our prime objective will be, by way of amendment, to attempt to retain in the hands of the primary producers the control of regulations which the government will seek to impose over the industry.

• (3:40 p.m.)

Mr. Hees: Hear, hear.

Mr. Danforth: We feel that no one is better able to assess the climate of agriculture and the moves that ought to be made than the person who is engaged in the agricultural business. It is not our intention to play God as far as the farmers of this nation are concerned. They must make their own decisions and our objective will be to point out as forcefully as we can the weaknesses of the bill and the direction in which we are heading which will lead to absolute state control. It will then be up to the farmers to make their decision.

Mr. Hees: Hear, hear.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, as I read this bill, it is a proposal to bring the federal government into the field of farm product marketing and to give it a great deal of power and scope in that field. I suppose few primary producers in Canada are as vulnerable to the pressures of the market place as the farmers and ranchers in western Canada. There are few producers who have suffered more at the hands of market forces, both domestic and international, than the people on the farms and ranches of Canada. So, when we look at a proposal such as this, the first question we ask is: what sort of bill is it? Will its provisions meet the needs of our farming people? Is it going to help them to

achieve their aspirations for the good life, the just society or, more important than that, security.

I remember a number of years ago being at a meeting here in eastern Canada. We had invited an economist from the University of Saskatchewan—an economist for whom I had the highest regard and who is no longer with us—to come to that meeting and discuss the role of agriculture in an industrial society. He agreed to come. In his reply to me he said, "If you had written me a letter before the second world war, or even six or seven years ago, asking me to talk about the role of agriculture in the industrial society of Canada, I would probably have refused the invitation because at that time, in my opinion, we did not have an industrial society; but now we do have an industrial society." Therefore, the role of agriculture has to be defined, considered and dealt with in light of the fact that agriculture is operating within an industrial society.

An industrial society as I see it, or as I observe it, Mr. Speaker, is a society in which monopoly operates, in which price maintenance is a daily fact of life and in which the government of the day—and in my province it brags that it is a free enterprise government—busily sets up a Prices and Incomes Commission to prevent those who are practising price maintenance from gouging the consumers of Canada. Admittedly, this commission is almost totally ineffective, but none the less this is its purpose. So, this is how the government of the day regards Canadian society.

As I said at the beginning of my remarks, this bill is designed to operate in that kind of society. If this is so, it seems to me that the first question is, how effectively will it operate in that kind of society? The other question is, how much of a role will the actual producer play under the provisions of this bill? To what extent will the producer play a part in those decisions that will have to be made? To what extent will he continue to be the master of his own fate; to what extent will he become the servant of the state and, even worse, a pawn of the state in its manipulations of the economy and in the pursuit of its objectives in the world in which we live?

The previous speaker mentioned the Canadian Dairy Commission. I agree with him. The operations of the dairy commission give me cause for concern.

Mr. Dinsdale: Hear, hear.

Mr. Gleave: I have received letters from people who are desperate. Because their right, and indeed their ability, to earn a living on their farms has become seriously jeopardized, because in some instances they have been partially denied the opportunity to follow the vocation they had been following, and because they have been unable to put their case before the commission, these dairy farmers have, in desperation, written to their Member of Parliament asking, "What can you do for me?"

It may be, as individual marketing boards operate, that some instances of this sort of thing are unavoidable. But such things under the aegis of such boards, in my opinion, have been only too common. Under operation LIFT, we have a situation in which the government has taken powers wholesale unto itself. The Government advised this House that it was doing this with the support of the farm organizations and the provinces concerned. Yet within a few weeks of that announcement, we heard one of the major farm organizations saying, "No, this is not our baby." It seems to me, therefore that there ought to be a provision in this bill, a provision I have not been able to find, that the farmers who are going to be affected by this legislation shall have the right to elect either the majority or possibly all the people responsible for directing any marketing board or agency which is set up.

• (3:50 p.m.)

It seems that this is an essential requirement if the individual farmer is going to be able to say when the operations of an agency are not serving his purposes or if an agency is operating very well. An individual farmer or a group of farmers who do not consider they are being fairly treated as a result of the operations of the agency should be able to come before a forum of their own people and say that this or that is happening to them or, in their opinion, the agency is not working well. This is the protection the farmer should have. According to this bill, the appointment of those people who are going to operate such an agency, will be at the pleasure of the government. The people who dreamed up operation LIFT in western Canada were selected at the pleasure of the government. Some individual farmers will suffer severely under that program because of the limited alternatives open to them. The unfortunate thing is there will be many such instances. I

could say more, but we are not here to discuss operation LIFT. We are here to discuss this particular bill.

I refer to page 5 of the bill which reads:

(1) The duties of the Council are

(a) to advise the Minister on all matters relating to the establishment and operation of agencies under this Act with a view to maintaining and promoting an efficient and competitive agriculture industry;

I wish to emphasize the words "an efficient and competitive agriculture industry." Before the Minister of Agriculture (Mr. Olson) and the Minister without Portfolio (Mr. Lang) visited Saskatchewan in February, the grain industry in Saskatchewan and in the rest of western Canada was an efficient and competitive industry. No one denies that fact. This bill says, "maintaining and promoting an efficient and competitive agriculture industry". What does it omit? Only the people.

Even though there may be an efficient and competitive agriculture industry, there may still be a lot of people who are hard up. I have looked through this bill in vain trying to find a place where it proposes to attempt to maintain the income of the people on the land. There is no such statement in this bill. This is not an objective of the people who will be the commissioners or administrators. According to this bill, they are not to be concerned with the income level of the people on the land. The bill further states:

(2) (b) have regard to the interests of consumers of farm products and of those engaged in the marketing thereof as well as to the interests of producers of farm products.

The producers of farm products are not mentioned first, Mr. Speaker. The consumers of farm products in this nation have done very well. The consumers of farm products in this nation pay a smaller percentage of their income for food than do the consumers in almost any other country among the developed nations. The consumers are able to buy products that are sorted, crated, washed and packaged. If there is anything more that can be done to make the product more presentable to the consumer, that is done. These are the services the consumer is receiving today from the distributors of farm products in Canada, yet in this sentence that I referred to the producer is mentioned last.

I wonder why the government found it necessary, in introducing this bill, to very carefully state that the interests, of the consumer will be carefully protected. Has the consumer been that badly abused? If so, where and when? Beef is imported from New Zealand so that the consumers in eastern Canada will not be forced to pay high prices. Last year the amount of beef imported from New Zealand was tripled. Great care is taken to ensure that the consumer is not at the mercy of the farmer or rancher on the North American continent. Alternative supplies are available.

The bill also refers to "those engaged in the marketing thereof". They also take precedence over the producer. Those who have been doing the marketing have not done that badly. I refer to those marketing our grain, the elevator companies and the brokerage people. They are guaranteed a return that is sufficient to enable their operations to run very smoothly. They have not been suffering that much. The packing industry slaughters, processes and packages our beef and hogs. It packages our eggs. This industry has managed very well, Mr. Speaker, yet in this bill it has a special place.

• (4:00 p.m.)

Under this bill control can be exercised over any farm product. Clause 17 provides:

The Governor in Council may by proclamation establish an agency with powers relating to any farm product or farm products the marketing of which in interprovincial and export trade is not regulated pursuant to the Canadian Wheat Board Act or the Canadian Dairy Commission Act.

This means that the agency will have power over practically any farm product in Canada, with the exception of wheat, barley and oats.

Clause 19 provides:

The members of an agency shall be appointed by the Governor in Council to hold office during pleasure.

As I said before, the bill makes no provision for producer participation. The agencies can operate without it. I thought I heard it said that these powers were given to the provincial governments, but this is not the case with regard to marketing grain. The government found it quite possible to get around any provincial participation here. Never has a member of the Wheat Board been elected by the producers: all have been appointed by the federal government. There are at least three different types of operation in connection with the marketing of hogs, one of which is a commission in Manitoba.

So as I see it, this bill gives the agency concerned the power to do almost anything with any given agricultural product. Unless provision is made within the bill for partici-

pation by farmers and producers in the decision making by the agency, you could conceivably see much of Canada's farm production handled, administered and sold without any producer participation. The producer would be little more than the hired man of the agency that is to be set up, and I do not think this is what we want. Our thinking should be much more advanced than is evidenced by the provisions of this bill.

In this day and age one hears the phrase "industrial democracy". People connected with plants, factories and some of the academics in our universities are saying that the man who does the work should now be thinking in terms of participating in those decisions and operations that affect his daily life. This the farmer has done up till now, though as I said at the beginning of my address he has done it at a frightful price in terms of income. We know that farm income has lagged consistently below the national average in Canada, with the exception of the odd occasion. Indeed, a recent report issued by the Dominion Bureau of Statistics indicates that farm income in Saskatchewan dropped by 19.9 per cent, I think is the figure, between 1968 and 1969.

In order to correct this kind of situation and to give the farmers the bargaining power that they need, does the government have to take all of the decision making with regard to the marketing process and other matters away from the farmers? I think not. As I say, unless some protection is afforded the farmers in the bill, I am afraid in many areas they will merely be trying to conform to decisions that are made by civil servants, ministers, and perhaps managers in the processing industry who have power to make such decisions. The only thing that will assure the farmer a say in this kind of operation is the elective process. The farmer is one of the thousands at the bottom of the ladder; at the top you have the few. Only the elective process will assure him any real part in the decision making that takes place.

Supply management has been brought into this discussion, and this could very well be part of the government's objective in this legislation. Operation LIFT in western Canada is nothing more nor less than a supply management operation; indeed, it is declared to be such. Yet the farmer was given no vote or opportunity to make a decision in a matter that affects his daily life.

The stated objective of the bill is to establish an efficient and competitive farm products marketing board. This we must have, otherwise the needs of the people of Canada will not be served. But in addition to this stated objective, the bill should provide that part of the job of those who administer the act is to improve the income position of the farmer. This the board can do by bargaining for a better price for his product in the marketplace. The regulation of quality and markets is something that benefits the consumer. Any regulation that controls the product the farmer sends to the marketplace is not designed to protect his interest but to protect the interest of the consumer.

• (4:10 p.m.)

So, if this is to be a bargaining agency and if the objective is to bargain for a price for the farmer, then that objective should be stated in this bill. If it is not stated in this bill that the objective is to bargain for a price in order to achieve an acceptable income for the farmer, I would have very considerable difficulty in supporting the bill. What other objective is there in asking the farmer to submit to regulations under which an inspector, by virtue of a piece of paper someone gives him, could enter the farmer's premises any time and find out what the farmer has there, how long he has had it and what he intends to do with it. If a farmer should not choose to conform to these regulations, under certain circumstances he could land in jail. If a farmer is to submit to this kind of pressure, then there should be some benefit for the farmer. What the farmer is interested in is a fair price for his product.

We can use all the fancy words we know to say that we need economic, efficient and competitive farms. One could stand up at meetings and say all these things, but when one is all through the farmer would ask, "How much income will I have; what is the price of the product going to be and what will my balance sheet show at the end of the year?" That is what the farmer wants to know. This information is not contained in this bill. I suggest this is one of the important things which should be considered in respect of this bill. I refer to income maintenance. If the farmer, as this bill suggests, is to be an efficient and competitive individual, then we should also tell him how he is going to live. Any good economist will tell you, Mr. Speaker, that the term "perfect competition" is a term that is used. This is a situation when there is no control over price and when a product has to fight for its place in the

market place. If perfect competition is carried to its logical conclusion the result is bankruptcy. Any group of businessmen who possibly can avoid perfect competition do so, because the result of it is ruin.

We have the example of the Canadian Wheat Board. We have heard people say many times that we should let the Wheat Board go into the markets of the world and sell wheat for whatever it would bring. At a meeting which I held in western Canada a farmer said, "If you do that how far will we go down; what will the end be"? I said to him that I do not know how far down it would go. I do not believe anybody else knows the answer. In this situation we would have perfect competition, and when you have adequate supplies and perfect competition there is a long way to go. So I should like some government member or the minister, either while this debate continues on second reading or after the bill goes to the standing committee, to tell us what the objectives of this bill are in respect of income for the farmer and what the pricing policies are to be.

As we know, under the support policies of this government, there is some support in respect of beef, hogs and so on. This support is very small. It is set low because there is no control over the volume of product as there would be if the government should raise the support price and have to buy the product. So, the support price is kept very low. This bill, however, proposes to institute supply management. The intent is to control the volume of product that will come on the market, the manner in which it will be handled and the manner in which it will be marketed. If the farmer is to be controlled to that extent by a bill such as this, he is entitled to a fair price. If he were to be left alone to sink or swim, then maybe there would be some justification in saying that we will not do anything about pricing.

Perhaps we could tell farmers they can produce what they like and then they would be on their own. But if we introduce legislation of this type to establish a policy of supply management, then the farmer is entitled to know what is to be done about price and income. This is the essence of the Dairy Commission operation. This is the only way they can justify what they are doing to the producer. In return, the Dairy Commission says the producer will not go broke. That is the essence of it. There is a similar situation here. We are saying these things to the producer and at the same time we should be willing to tell him what we intend to do about price and income.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I should not want to miss this opportunity to say a few words on Bill C-197 to establish a National Farm Products Marketing Council.

At first sight, this bill, like all the others, seems to make sense. It seems it would be wise to create a National Farm Products Marketing Council. But it is always in the application of legislation that we are taken for a ride and this bill is a classical example of all the legislation introduced by this government since it came to power.

The setting up of councils, royal commissions, boards and other bodies means further expenditures. In addition, the government certainly has many friends to bring in and I presume all appointments will be made by the government itself at the cabinet level. That is exactly what I am concerned about in connection with this bill.

• (4:20 p.m.)

As a matter of fact, when you read the Governor General's recommendation, you note that, having dealt with the establishment of the Council, it goes on to salaries, fees and expenses. It never fails. That has to come first. The recommendation then deals with the organization of the Council and its staff, with the expenditures to be paid out of moneys appropriated by Parliament therefor, and with the creation, if necessary, of marketing agencies for farm products.

If the National Council is unable to advise the minister adequately, agencies will be created. In this connection I would like to quote in part the recommendation:

> —to provide that the agencies shall conduct their operations on a self-sustaining financial basis without appropriations therefor by Parliament;

It is said that the agencies will be self-sustaining. This means they will not be swayed by money. It is said further that the government may grant a certain amount of money, and I quote:

> —to enable the agency to meet initial operating and establishment expenses, the aggregate amount of such grants not to exceed one million dollars.

And that is how the government establishes the agency. It reminds me of the way Information Canada was established. In my opinion, it will be another agency like Information Canada, for the purpose of selling government policy to farmers.

It has always been my belief, Mr. Speaker, and it still is, that in a democracy the government should support the efforts of producers whereas in a dictatorship the government gives them orders. When I examine both systems, I wonder where the present government stands. And that is what frightens me, Mr. Speaker. We claim to be a democracy, we pretend to be one. We claim to be a democracy and we are living under the worst dictatorial government we have ever known. All the decisions the government has made so far in the field of agriculture prove it.

The farmers cannot foresee the plans of the government, nor wait for it to announce its policy, without participating in the study of those programs. They must wait for what the minister will be willing to give them.

This bill provides for public hearings, but we know what the results are of those famous public hearings. Pretence is made of consulting the farmers, but when the time comes to apply the law the recommendations of the people who are really concerned, the producers and their associations, are totally disregarded.

We have had a striking example of this in the province of Quebec in the case of the manufactured milk production. Everyone expected concrete results, after numerous evening study periods and numerous meetings with the government and each and everyone of the parties. We ourselves had talks with the C.F.U. and farm organizations with a view to submitting, to the government, a well defined plan on the future dairy policy. All this was confined to oblivion, and the officials of the Department of Agriculture, as well as those of the Dairy Commission, completely ignored the recommendations and studies that had been made.

That is why one could read in *La Terre de Chez Nous*, on the editorial page, after the dairy policy was announced by the minister, and I quote:

> Quebec manufactured milk producers bitterly disappointed.

It is quite a disappointment, for it means the disintegration of our dairy production. Indeed, a third of the farmers are now leaving their farms, precisely because of the "good" conditions the Minister of Agriculture has provided for them.

If only the same fairness had been shown, the same advantages had been given the milk producers, as the wheat producers out west. We are not asking for much, all we want is equal treatment with the wheat producers, which would put an end to bitter criticisms by the farmers.

How are the wheat producers treated? There is too much wheat, so we are going to pay to prevent them from producing. It is nothing terrific, but at least we do not let them perish with their wheat, without a cent. They are paid so as not to produce.

If our farmers were paid, $200 per dairy cow for instance, to be able to kill a percentage of their dairy cows, they would keep only the herd that would enable them to get their quotas. But no. More cruelty, more barbarism is shown here. They are smothered. The dairy farmer does not get a single cent for his surplus dairy cows. While the western farmer is being paid not to produce, this dairy farmer is penalized because his cows produce milk. What a ridiculous situation.

If he were at least given $200 for each cow to be killed, that cow would no longer give milk, milk he does not know what to do with. There would be some justice. But no. Producers have to pay $1.25 per hundredweight of above quota milk.

For two or three years, they were asked to produce more, by means of propaganda on television and over the radio, so much that I wondered what the Department of Agriculture was driving at. Now that they have accepted the conditions assigned to them, they are penalized.

• (4:30 p.m.)

Only one solution could be adopted today: if a dairy producer exceeds his quota by 50,000 or 100,000 pounds, he should be paid to slaughter some cattle in order to remain within the limits of his quota. He would then use the money available to turn to some other crop. We should not be afraid, for the farmers are not crazy. They will not waste that money. On the countrary, they will use it to grow other crops or to breed stock.

The government has ignored all the relevant studies that were conducted in the province of Quebec. In fact, an editorial writer has stated the following, and I quote:

> These studies and this research made by the associations of producers, which are far from easy, were not made, without the federal authorities knowing about them. Far from it. Since November 1969, all the federal members from Quebec, the Standing Committee on Agriculture, and the cabinet ministers concerned have been kept informed through continuing consultations that everybody tried to keep objective and as close as possible to the problems of the producers. What did all that work result in? Nothing or almost nothing.

Such is the farmers' conclusion.

That is why the farmers are now asking themselves: what is wrong? You may find the answer to that question on page 4 of the April 8 issue of *La Terre de Chez Nous,* and I quote:

If agriculture is not sick its leaders are—

This article does indeed state the truth of the matter. Some members of the Canadian Dairy Commission should submit to an economic health cure.

This bill provides also for the creation of new jobs in order to have studies undertaken. Indeed, consideration will again be given to the possibility of marketing farm products. I was under the impression that all the employees and experts of the Department of Industry, Trade and Commerce would devote themselves to the sale of Canadian products, but it seems that another council will have to be set up, in each department, in order to advise the minister's own council so as to bring about marketing planning.

Once all those councils, sub-councils and agencies have been set up, farm producers will be told that nothing can be done for them, as the milk producers have already been told. Formerly, when there were some hard to solve problems, particularly in our area where illnesses like, for instance, brucellosis, have caused considerable damage, it was possible to try to cope with some cases.

Today, that is not possible anymore. The door is closed and locked.

Once the agencies and sub-agencies are established, the minister will be like the queen-bee surrounded and well protected by his staff. One word from him will be enough for the implementation of a decision. Indeed, no matter how many laws are passed and how many agencies are created, we can see in the last part of the bill that the minister is the supreme authority: he is the only one to decide.

That is exactly why so many farmers are dissatisfied, and rightly so. We know that there are surpluses. Farmers should be spared some of the blows and be able to diversify their production. They must be helped as were wheat producers. The government must give them assistance if it prides itself in helping producers.

Today, we have some indications that the government is no longer helping the producer, but gives him orders and lays down conditions. This is why I am protesting.

I do not accept a dictatorship at the ministerial level or at the government level. We are living in a democracy and as long as I am here, I will plead on behalf of democratic rights and all the more for those of farmers and milk producers which make up our basic industry in the province of Quebec as well as for hog and potato producers.

Mr. Speaker, if the government wishes to pass Bill C-197, it should make it more democratic. How can that be done? Instead of having these public servants appointed by the government in power, it would be desirable to divide the Council into three sectors. First, the federal sector, second, the provincial sector and, third, the producers' sector. Each sector would choose its own representatives.

That seems to me the only way to set up a national administrative council of a democratic nature so that farmers and producers may have their say for once and may delegate to the council representatives of their associations. Furthermore, relations with the provincial governments are anticipated since the recommendation reads and I quote:

and further to provide for federal-provincial agreements.

If agreements are to be entered into it is absolutely necessary that provincial governments be represented on this council.

• (4:40 p.m.)

In introducing this bill, the government has acted in the same way as when it introduces any other legislative proposal. The government decides, without consultation, and then it says to the provincial government: Do this, or else you will not receive anything. And it calls that co-operation. Well, I suggest that this is not co-operation. And co-operation must be established without fail at the council and the agency levels. And there will be co-operation as I recommended a moment ago, through the establishment of a council comprising three members from the federal government, three members representing the producers and three members from the provincial governments. To be logical and to ensure the autonomy of this council, each organization represented on it would pay its own delegates. It may be said that because this is again a federal organization, it should pay the representatives of farm associations and provincial governments. I do not agree since this would endanger democracy. Let these three elements pay their delegates to the National Council. This would be the best way to be sure that everybody will be entitled to participate in studies and findings.

And if, after these findings, the minister does not agree, as is sometimes the case, it will rest with Parliament to show the people the lack of sincerity of some representatives regarding findings reached in a democratic way.

I feel that this would not only protect the producer but the members of the Council, the federal government officials as well, and would permit more objective studies at the federal and provincial levels. It would be a great relief to the Council and it would eliminate a good deal of controversies which set provinces over against each other presently, because of the dictatorial spirit that you feel hovering over each of them.

If the government wants to force dictatorship upon us, let it say so. We shall get organized accordingly. Provinces are led to believe that government is exercised in a democratic manner but it is not so. That is the reason why the provinces are in revolt. I hope that for once, the minister will think it over and amend the paragraph of his bill which provides for the establishment of the National Marketing Council, so that each one of the elements which I mentioned earlier will be represented. Here is a way to obtain more democracy, which will greatly contribute to the understanding and national unity that we all want.

Today, we have reached the point where most provinces are at war with the federal government. And who is to blame? Not the provinces. No, no! Let us face facts. It is rather against this dictatorship which is forced upon them. For once, let us come back to democracy and I sincerely hope that this bill will provide the opportunity to make such a gesture.

[*English*]

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I am pleased to rise in support of Bill C-197 and in doing so, I congratulate the Minister of Agriculture (Mr. Olson) for the speed with which he has implemented another of his pre-election assurances. These assurances, Mr. Speaker, were given to the vast majority of farmers who are clamoring for the right to study, plan and organize their commodity groups on a proper business-like basis in competition with other food commodity producer groups, as well as area and international competitors.

The enabling legislation provided in Bill C-197 is not new or earthshaking. It complements similar enabling provincial legislation which will extend the benefits of planned production and marketing on a national basis. Farmers everywhere have been conducting a quiet revolution in an attempt to bring stability to farm product markets. They have worked diligently in co-operation with governmental experimental research and have been highly successful in reducing production costs over the years. As costs were reduced, the savings were passed on to the consumers. Little or no work has been done on a national basis relating to market research. The only factor in our economy which can assure a fair return to the producer is the market price. This factor has been almost totally neglected. Most business and service industries are permitted to price their products and services, while the farmers must take what they are offered.

Individual farmers engaged in commodity production are expected to estimate market requirements without the slightest scrap of information regarding the intentions of the other thousands of farmers. It is true that periodical market outlooks have been issued by various government agencies and that politicians have made forecasts, but no specific approach to market research relating to individual products has been carried out which could assure producers some safeguards when the time came for the product to go to market.

I submit, Mr. Speaker, that Canadian agricultural producers have been encouraged to produce in surplus in order to provide cheap food. Overproduction causes low market prices, usually below cost of production. The low prices discourage production and subsequently result in short supplies and high prices to consumers. For many years farm product prices rose and fell like the ocean waves. This unstable, disastrous system was called the law of supply and demand. The producer received high prices when he had little or no product to sell, disasterously low prices when he overproduced. Occasionally the surpluses, especially on perishable products, became so burdensome that the law of supply and demand was temporarily repealed. The government would then provide a subsidy, but this policy has never been able to solve the problem of instability in market prices.

Subsidies, Mr. Speaker, were and still are a valid charge against consumers. The subsidy payments merely pay production losses and enable producers to stay in business. Today, we live in a climate of agricultural subsidies and as long as farmers are unable to plan

their production to a market, with allowances for safe inventories, subsidies must continue to exist. Any thought of removing or reducing subsidies at this time is unconscionable and must be resisted, especially while labour continues to force increased costs. But farmers know that living in a climate of subsidies during today's standard of living is unacceptable and are now demanding an opportunity to gradually shift away from a system of indiscriminate production and ignorance of market potential.

During this debate, we will undoubtedly hear the usual reference to curtailment of farming opportunity. This argument usually comes from people presently engaged in surplus production who are more interested in confounding governments for political purposes than seeking solutions to existing production and marketing dilemmas. Hon. members opposite speak in terms of hypothesis and refuse to listen to reports from groups who are already operating within successful programs.

I repeat, Mr. Speaker, this legislation is not new. Highly successful planned production and marketing schemes have been operating in Western Canada for many years. The uninformed members will endeavour to quote hypothetical possibilities suggesting ruination without taking the trouble to study existing results available to them for the asking. Provincial governments have found a way to pass acceptable enabling legislation. Bill C-197 will provide national assistance.

• (4:50 p.m.)

It is true, Mr. Speaker, that previous attempts by the federal government to provide enabling legislation to establish marketing boards have failed to produce desired results. If we examine the reasons for failure at the federal level, as opposed to success at the provincial level we find that the fedeal approach has relied heavily on the public service whereas the provincial legislation places the burden of administration and responsibility on the shoulders of the producers—the people who actually own the product for sale. We also find that the federal approach fails to recognize that orderly marketing must be accompanied by orderly production. Orderly production, Mr. Speaker, is practised by every type of production and service industry today, with the exception of agriculture.

There is no successful production type industry in Canada which would deliberately manufacture or produce without positive assurance that they can control their inventories. It is true that occasionally giant corporations misjudge the markets or ignore the warnings of their research departments. However, Mr. Speaker, when they do, it is always a temporary problem. I refer to the potash industry in Saskatchewan. When excess inventories of potash became evident and the bottom fell out of the market, a plan to cut back production was introduced, because world demand for potash did not coincide with excess production. As demand increases production will increase, as will sensible and safe stock inventories.

There are two requisites to the successful operation of supply-management programs. The first is to plan production for safe inventories and market demand. The second is to serve secondary industries and through them the consumer with adequate production of low cost products. Surplus production beyond safe inventories and market demand must not occur. Therefore, self-discipline by producers has proven the only successful method of avoiding costly surpluses to date. If there is another method which works I would be most happy to learn of it, because I have been unable to find one over the years. Secondary industries have engaged in a system whereby they buy indiscriminately at prices suitable to them and sell their products for prices they can obtain. Certainly, that type of approach has not brought sufficient return to the farmer to enable him to stay in business and anticipate any kind of stable market.

I wish to deal for a moment with the advantages of producer controlled boards operating under self-discipline. My first reference is obviously directed towards successful commodity marketing boards now in operation. May I ask the indulgence of the House to refer to the practice in British Columbia? That province has been my base of operations, and I gained my experience there. That province has also the longest record of successful operations involving this type of planning. There, provincial marketing legislation has established a type of marketing council similar to the council proposed in this bill. I have no quarrel with the government for suggesting that the council should be made up of men from the public service. They are the shock troops between the producers, their agencies and government itself, and I would not request that that part of the bill be changed.

In British Columbia, the ground rules are provided in the Natural Products Marketing

(British Columbia) Act. It contains the enabling legislation. A council of three public service employees act as a council of referees. Those in each commodity group hold a plebiscite of all producers who qualify for registration. If the majority of producers within that commodity group favour a marketing board, the producers proceed forthwith to plan the type of operation they feel suits their commodity group within the terms of reference provided in the act.

In other words, Mr. Speaker, the producers themselves study the regulations proposed and submit a plan to council. The council looks at the plan, and eventually approves it. But it is important to note that participation by the council in the administration of the regulations ceases at this point. The producers' organizations elect the board, and in so doing place the responsibility for the requirements of product supply directly into the hands of the producers of the product where, I submit, it rightfully belongs.

Advisory committees are formed and include representation from all interested secondary industry groups. It is the duty of the advisory committee to advise the producer board. It is not their prerogative to be involved in final decisions. Production quotas are increased or decreased according to market demand, plus reasonable inventories. May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Moose Jaw (Mr. Skoberg)—Trade—grain—suggested permanent foreign sales missions; the hon. member for Brandon-Souris (Mr. Dinsdale)—Veterans affairs—integration of veterans charter with social welfare programs; the hon. member for Halifax-East Hants (Mr. McCleave) Royal Canadian Mounted Police—consideration of payment for overtime.

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

PRIVATE MEMBERS' MOTIONS

INCOME TAX ACT

RECOMMENDATION THAT DEDUCTIONS BE ALLOWED IN RESPECT OF COST OF TOOLS

Mr. Don Mazankowski (Vegreville) moved:

That an humble Address be presented to His Excellency praying that the Governor in Council will amend the regulations under the Income Tax Act whereby the deduction in computing income allowed self-employed professionals, tradesmen and workmen in respect of capital costs of tools necessary to their trade and similar property be extended to all professionals, tradesmen and workmen, whether self-employed or otherwise who must purchase themselves such property in the course of their employment.

He said: Mr. Speaker, the purpose of this notice of motion is to draw to the attention of the House what I consider one of the most glaring inequities in the present Income Tax Act, as it relates to certain tradesmen and professional people. At the present time such people, unless they are self employed, are unable to claim any deductions or depreciation for the tools and equipment which they are compelled to purchase and maintain and which are used in conjunction with the discharge of their respective duties and responsibilities. In many cases the inventories of such tools and equipment cost many thousands of dollars, and yet there is no provision in the Income Tax Act for the deduction of the cost of those tools and equipment.

Specifically, I am referring to those people who by occupation are mechanics, plumbers, carpenters, technicians, electricians or any tradesmen who find themselves forced to invest quite substantially in tools and equipment which are necessary if they are to perform their respective tasks. To some degree, perhaps, teachers and professors are similarly affected in that their investment in books and instructional aids amounts to a very significant outlay of capital which directly relate to the discharge of their duties. It is quite true that under the white paper proposals for tax reform, provision has been made for a maximum allowance of $150 per year as employment expenses for any one who is employed.

• (5:00 p.m.)

However, this provision in no way removes the inequity which this resolution seeks to remove because it does not distinguish between the classifications of employment. For example, an office clerk probably does

not have to purchase his own pen but, on the other hand, a mechanic may invest up to $2,000 in tools and equipment. He must maintain those tools and equipment, provide replacements, upgrading the tools from time to time with new and improved items. Both occupations are treated alike at present, and proposals for the future indicate no changes, which to me is unfair and calls for reconsideration.

I respectfully submit the tax reform proposals provide an excellent opportunity to correct this anomaly and thus create a more equitable tax benefit with the self-employed counterpart. However, once more we see another of the numerous shortcomings in this so-called great revolutionary tax reform document which in the final analysis will discourage incentive, will discourage productivity and will do nothing more than make us all slaves of the state. This observation simply reiterates the assertion that this document is a proposal for social reform rather than tax reform, with very little consideration being given to help those who are in need and those who, by virtue of their trade, are being subjected to unfair tax treatment.

Returning to the specific motion as related to the present act, Mr. Speaker, one would naturally assume that, in the spirit of the act, all persons who are self-employed, or those who must provide the tools of their trade as a condition of employment, are covered in the same way by the provisions of section 11. However, this is not the case, Mr. Speaker. For some reason, perhaps known only to those who drafted this section, a large segment of our working population is excluded from enjoying the exemptions allowed under this section. Furthermore, if we turn to section 11, subsection (11) of the Income Tax Act, we see a provision allowing any employee who must use an automobile in the performance of his duties to deduct for tax computation purposes capital cost allowance in accordance with the corresponding tax regulations. I simply say if such a provision can be made for an automobile, it should certainly be provided in the same spirit with respect to tools and equipment necessary for the performance of one's duty. It seems this is a realistic analogy.

Looking at it from another aspect, a doctor, under the provisions of medicare, quite frankly is no longer a private practitioner or a self-employed entrepreneur. He is really now an employee of the government. I ask, what then is the difference between a doctor,

[Mr. Mazankowski.]

who is being paid by the state, being allowed to claim deductions and depreciation on capital equipment expenditure and a mechanic who works for Myers Motors in downtown Ottawa? For that matter, he may work for the federal or provincial government. He can claim no deductions whatsoever with respect to the often significant capital outlays that he is compelled to make to provide him with the tools necessary to discharge his job.

Similarly, we can make an analogy with respect to a lawyer. A carpenter, who must provide his own tools as a condition of employment, is not allowed the same exemptions. It might be said that a doctor's instruments and lawyer's books are necessary conditions of their employment, but a carpenter without a hammer, a saw, a plane, a wood chisel in my estimation is no different. These tools are in integral and necessary part of his occupation.

I am sure most hon. members will agree that tax reform is needed in many areas, this being only one. What I want to say is this, Mr. Speaker: A reform such as outlined in this resolution would not require a white paper, it would not require the expenditure of millions of dollars in public hearings, answering services, debate, committee meetings etc. It would simply require an amendment to the present act which would ease the burden on many people in this country in the lower end of the income scale. Above all, such a resolution would not overburden our governmental structure with a huge build-up of bureaucratic officials.

It is my belief that we can make a meaningful start in the direction of tax reform by such methods as outlined in this resolution. First, by isolating examples of gross inequities in the tax laws and bringing forth provisions to correct these injustices. I think we would do much to restore confidence in our governmental process without upsetting or disturbing the fundamental goals and desires of Canadians. This resolution simply seeks to amend section 11, and the capital cost regulations of the Income Tax Act, to broaden the scope of exemptions allowed to persons who must provide their own tools, and maintain their tools at their own expense, as a provision of their employment.

One wonders, Mr. Speaker, whether those who drafted this section of the act failed to include such a large segment of our tradesmen and skilled workers from the exemptions allowed professional persons simply through the lack of knowledge of the extent to which

tradesmen are required to invest in the tools of their trades. For example, Mr. Speaker, a first-class mechanic—I mention a mechanic because I happen to be familiar with mechanics—working in an automobile repair shop is required to invest, out of his own pocket, as much as $2,000 for necessary tools in order to secure a job. In addition, he must continue to spend money to maintain his tools. He must replace broken tools at his own expense, and must replace worn out tools as well as those tools that eventually become outmoded as the design of machinery changes. This can conceivably run to $500 per year.

Today, we hear a great deal about productivity. Productivity must be directly related to the skill of the user and the availability of adequate tools and equipment, at his disposal. If we are truly concerned about increased productivity within large segments of our population, let us ask ourselves what are we as a government, as a society, doing to encourage the upgrading of those fundamental components, skill and equipment? In the field of training perhaps, we are doing a fair amount, but in the field of advanced equipment and tools the present Income Tax Act certainly does not provide any encouragement or incentive at all.

• (5:10 p.m.)

I will conclude my remarks by saying I feel it is grossly unfair that a person who goes to work each day and uses nothing more than his two hands and a couple of university degrees, degrees which were obtained in schools which we collectively as taxpayers provided, should be granted the same exemptions under the provisions of the income tax legislation as a worker who must provide and maintain the necessary chest of tools and equipment that is supplemental to the requirements of those in other occupations and professions. Whether such regulations in the Income Tax Act are deliberate or simply an oversight, it is urgent that such inequity be removed without delay. I ask all hon. members to join with me in support of this resolution.

Mr. Barney Danson (York North): Mr. Speaker, I listened with considerable interest to the hon. member for Vegreville (Mr. Mazankowski) and found what he had to say a rather useful contribution to the discussion on the white paper on tax reform. As a member of that committee, I may say we have questioned the officials of the Department of Finance in this area and, as he knows, the subject is dealt with in the white paper on pages 15 and 16, sections 210 to 215, but more specifically section 213.

As the hon. member pointed out, it is difficult to make a precise distinction in this regard. In the committee the other day we had a rather lengthy discussion in attempting to determine whether this amount was equitable. I do not think any of us were thoroughly satisfied that it was completely equitable, any more than we could really reach a truly equitable tax system; but like many things, it seems to be the most practical and workable approach that we could see. I must say I was rather interested to hear—because this is beyond my experience—that the cost of tools could amount to $1,000 or more. I think this is something that those of us in the committee should reflect upon.

There are also other inequities. I think we would be looking to the working man who has tools or safety or special clothing when this particular provision is considered. On the other hand, this provision is available to all employees. I assume that it is available to the secretary of the hon. member for Winnipeg North Centre (Mr. Knowles) so that she can have her hair done and look as attractive as she does.

Mr. Knowles (Winnipeg North Centre): It will also be available to the hon. member, whether or not he has to provide tools.

Mr. Danson: If I can have the tools I can finish the job. However, I would have been more impressed with the hon. member's concern for the working man if he had not found it necessary to tie this particular notice of motion in with his criticism of the white paper, and particularly with his suggestion that it is going to discourage incentive and make us all slaves of the state. I suggest that the intention here, in the hope of achieving reasonable equity, is to give each of us the same opportunity to grow and prosper, to build a dynamic and growing economy which will found the economic and tax base to enable us to provide those social benefits to which all Canadians are rightfully entitled.

To suggest that doctors are now employees of the state is, I think, an exaggeration beyond credibility. This is just an indication of what takes place when people say they are in favour of tax reform, that tax reform should be encouraged. People say it can be done by way of notice of motion, that we do not need tax reform to correct inequities in our tax law. Although all parties say they

believe in it, many fail to offer alternatives, or offer such weak alternatives that they are ludicrous.

The other day I had the opportunity of appearing on a panel discussion with the hon. member for Parry Sound-Muskoka (Mr. Aiken) and he suggested that the leader of his party, if he were ever Prime Minister, would withdraw the white paper. That is the sort of thing we can expect in the name of tax reform! I suggest there is developing, for the first time in this country, a significant radical right, and I think Canadians should be conscious of this. Groups are springing up in the name of tax reform that are using tax reform as a tool to discredit any social benefits or movement that the country is making toward a just society—and I am not afraid of that term.

Mr. Bell: Ha, ha!

Mr. Danson: The hon. member for Saint John-Lancaster (Mr. Bell) may laugh at the expression "just society". I do not think we will ever have a just society, any more than we will ever have an equitable tax system. But I suggest it is not a bad objective, and I would like to see his party substitute something better.

Mr. Knowles (Winnipeg North Centre): It is too bad that the Prime Minister dropped it.

Mr. Danson: If he drops it, I will pick it up. To me it is an objective, an ideal, and ideals are things to which we should aspire.

To get back to the notice of motion, I suggest that the provision in the white paper seems inadequate to most of the members of the committee. I suggest the hon. member has given us room for thought when we pursue the matter further and listen to representations made by delegations appearing before the committee, particularly those representing labour groups who might have more to say on the matter. It also presents some quite massive administrative problems.

The hon. member is concerned about growing bureaucracy. Again this might not prove to be insurmountable. I think we should be more concerned about some of the things that we do rather than what we do not do, things that very much affect the working man, or for that matter all Canadians. I think we are aiming at a certain class in our society—it is not quite a classless society yet—in the allowances that are provided for working mothers, in the deduction of unemployment contributions, something quite new, and in raising basic exemptions, which I think will give fundamental relief. What we are looking at is the process of examining our tax structure, and the hon. member's notice of motion, I think, should be given very serious consideration.

This is a new thing for us. Although white papers themselves are old, the way they are being used now is a departure from past practice, and I think a very healthy one. It gives the government an opportunity to present proposals without being locked into legislation, thus putting the government in a position of not having to defend those proposals quite as tightly. It gives those most affected by them the chance to respond, so that there is a dimension, a balance, a greater reality when the legislation finally comes into being.

This is not the first white paper. There was a white paper on Indian affairs, one on veterans affairs, one on housing and one on antidumping. All of them were very helpful. The hon. member mentioned a white paper, and I assume he is referring to the one on tax reform, which is just one of many. But a white paper is a process to which we must respond. It is a process that challenges us all very much. It is also disturbing. It is disturbing to us as politicians because it makes us work harder; we have to try to deal with the immense amount of work it generates. It is disturbing to the public, because it makes people think about legislation, something they have never had to do before. It is a process that I think contributes to good government. I am convinced it is democratic. I am not sure it is good politics, because people used not to like to be disturbed, or challenged, or asked for their ideas. Nowadays, our young people do. They want to be involved. This is a departure that I hope will work well for future legislation.

• (5:20 p.m.)

I could not help but be impressed by a statement of Mr. Malcolm Davidson of the Ontario Federation of Agriculture. He said:

> If they (the government) don't listen to our constructive proposals, then they've thrown away participatory democracy. But if we act hysterically, then we've thrown it away in advance.

So, this gives us an opportunity to reflect about the effect of legislation such as is before us this afternoon. Perhaps we have chosen something which is too complex in respect of tax reform. The Prime Minister (Mr. Trudeau), in speaking in Toronto, referred to an old German saying something

to the effect that you should not allow the public to see you making sausages or tax laws. Maybe there is something in this. This is a very complex matter which touches everybody very deeply. However, I think that to fail to proceed with this process would be giving up too easily. I believe it is a challenge to all of us and to our democratic institutions. I think it is a credit to the intelligence and maturity of Canadians who I believe are benefiting and will benefit by being able to participate in governing themselves.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, in rising to support this interesting resolution introduced by the hon. member for Vegreville (Mr. Mazankowski) I feel almost inclined to say to him, "Welcome to the club". The subject matter of the resolution deals with something related to our tax laws that I have followed rather closely ever since I first arrived in this House. Indeed, I have put forward many amendments and resolutions and have made many proposals on this particular subject matter to various governments. I know my colleague sitting in front of me, the hon. member for Winnipeg North Centre (Mr. Knowles), was doing much the same sort of thing long before I arrived in this House and certainly back into the 1940's, unfortunately without too much effect so far as our income tax laws are concerned.

Mr. Knowles (Winnipeg North Centre): Except in respect of trade union dues.

Mr. Barnett: I was about to say that one of the points raised by the hon. member in the 40's concerned the deductibility of trade union dues which is one item that is now allowed as a deduction by working people under the provisions of the Income Tax Act. I believe this is an item which is equitably applied to the general working force. I have examined the terms of the motion. Perhaps I should spell them out, because I wish to make one or two comments concerning the details of the proposal. We find that the hon. member proposes the following:

> That an humble Address be presented to His Excellency praying that the Governor in Council will amend the regulations under the Income Tax Act whereby the deduction in computing income allowed self-employed professionals, tradesmen and workmen in respect of capital costs of tools necessary to their trade and similar property be extended to all professionals, tradesmen and workmen, whether self-employed or otherwise who must purchase themselves such property in the course of their employment.

In the course of his remarks, the hon. member made particular reference to Section 11 of the existing Income Tax Act. I should like to point out that in my view his resolution is so phrased that he is asking the government to amend regulations. I would submit for his consideration the idea that what is required is not an amendment to the regulations but rather an actual amendment to the act itself. As I understand the act, it is not possible to cope with the situation he has in mind by a simple change in the existing regulations. I should like to direct his attention, and the attention of members of the House, to Section 5 of the Income Tax Act which I believe to be more pertinent to this issue than Section 11. Section 5 of the Income Tax Act is the section which spells out specifically, exactly what deductions a person whose income is from wages or salary is allowed. As I recall the phrasing in that section it makes very clear that, except for those particular items, no exemptions are allowed for anything else or for any benefits of any kind whatsoever.

At various times and in various arguments, I have submitted that there are three main areas in which the working force of Canada whose income is derived from salary or wages is discriminated against, so far as deductibility of expenses under the Income Tax Act is concerned. Two of these areas apply particularly to working people who, in the course of their employment, must be away from their normal place of residence for periods extending into days, weeks or months. This involves the cost of living away from home and all unusual travelling expenses incurred in going from the place of residence to some other part of the country in the course of carrying on employment. The third area is the one to which the hon. member makes particular reference in his resolution; that is, the type of expenses incurred by a tradesman or professional person employed for salary or wages in supplying himself with the necessary tools and equipment which he is required to have in order to carry on his particular trade or vocation.

These three areas of expense are freely allowed to self-employed people as a deduction, but they are not allowable in respect of persons whose income is from salary or wages. Herein undoubtedly lies the discrimination which is of concern to the hon. member for Vegreville, as expressed in his resolution. I submit that the appropriate manner in which to bring about this change would be in the form of an amendment to Section 5 of the Income Tax Act. There was

an occasion when rectifying this situation was almost within the grasp of members of this House.

Indeed, in a very fragmentary and partial way, it was dealt with in a proposal advanced to this House by a Minister of Finance in his budget. I refer to the budget introduced by the Minister of Finance in 1957. The Minister of Finance at that time was the Hon. Donald Fleming. As a result of a change of administrative practice in the Department of National Revenue, at that time the Minister of Finance did propose—and if the hon. member has not noticed this he can look it up—a special amendment to Section 5 of the Income Tax Act which partially covered the situation in respect of discrimination against some people in so far as expenses incurred in earning a living are concerned.

That amendment provided that people employed in the construction industry can claim as a deductible expense the cost of living away from home and the cost of travelling to their place of work from their normal place of residence. This was restricted to those people who maintained a self-contained domestic establishment, to use the phraseology of the act. In that sense, I believe it was very realistic. In other words, a single person who had his home where he was working, perhaps in a camp, would not be eligible to deduct this kind of expense while a person who was maintaining a home elsewhere would be. I remember pleading with the Minister of Finance—the Minister of Finance of the first Conservative administration in recent times—to go the whole way while he was about it. In other words, I pleaded that he make this amendment to Section 5 of general application to all workers under similar circumstances. I pleaded that it should not be restricted only to construction workers and should be extended to cover loggers, miners and other people, whatever their occupation might be, who were involved in this situation.

I also argued that it should be extended to cover the particular cost to which the hon. member refers in his resolution, namely, the cost incurred by tradesmen or professional people in supplying themselves with the necessary tools to do the job which they are called upon to do in their particular vocation. Unfortunately, that particular opportunity went by. While at various times and in various ways this argument has been advanced in the House since that date, no change has been made in the Income Tax Act to deal with the situation which is of concern to the hon. member.

• (5:30 p.m.)

We did have the report of the Royal Commission on Taxation which, I was delighted to note, covered the particular point that is of concern to me and to the hon. member as indicated in his resolution. I hoped that after all these years of fighting an uphill battle, and with the weight of the royal commission four-square behind the idea of eliminating this discrimination, perhaps at last the government of Canada and the Minister of Finance (Mr. Benson) would place before this House proposals to amend the Income Tax Act in order to deal with it.

To my great regret this has not been the action of the government, as indicated in its White Paper proposing not necessarily tax reforms but tax changes. I think the Minister of Finance would have been much more accurate if he had labelled this document "Proposals for tax Changes". The question of whether they are all reforms is very debatable, and some of the issues are under discussion in the Standing Committee on Finance, Trade and Economic Affairs to which the hon. member for York North (Mr. Danson) made reference.

What did the government do? They completely ignored the concept that has been advanced in this resolution. They completely ignored the concept that was partially implemented in the Income Tax Act in 1957. They certainly completely ignored the argument that I put forward in amendments to income tax bills at various times, which were ruled out of order. They came in with something that I described as political nonsense. Let me refer to the White Paper proposal at page 10, entitled "New Deductions". The government's proposal is as follows:

> The government has examined the deductions individuals may claim for various costs they incur, as well as differences in treatment between taxpayers who are employed and those who carry on a business or profession. The royal commission said many employees have been over-taxed because they have been denied the deduction of almost all expenses incurred in earning wages and salaries. But millions of taxpayers are involved, and a very wide range of expenses could be related to earning their employment income. These taxpayers do not keep detailed records. The government has found no practical way to permit employees to deduct actual costs as do those carrying on a profession or other business. We proposed to provide employees with a general deduction to cover expenses, in addition to certain specified deductions. The amount would be 3 per cent of employment income, up to a total of $150 a year.

This is the complete opposite of the principle of bringing fairness to the tax law, because all it does is provide an additional basic exemption to all workers whether or not they have any definable expenses in the course of earning a living. Here the government is advancing exactly the same arguments that Hon. Walter Harris used to advance in the House, and they have the gall to label this a document for tax reform.

In 1956 the Minister of Finance admitted this discrimination and said the government would look into it. Apparently Liberal administrations have been looking into it ever since, and this one has come up with exactly the same answer that was given to members of the House in 1956 so far as the principle involved is concerned. That is why I submit that any suggestion advanced in this House or elsewhere that this proposal in the White Paper is designed to meet the situation outlined by the hon. member for Vegreville in his speech is at complete variance with the fact.

All this nonsense about the millions of taxpayers involved and about not keeping records has nothing to do with the kind of situation the hon. member for Vegreville is outlining in his resolution, or the kind of special expenses incurred by certain workers because their employment requires them to live away from home or to travel long distances from their normal place of residence. These are the kinds of expenses that self-employed people are allowed to deduct. Self-employed people are not allowed to deduct the bus fare from their home to the office, and neither should any other working people be allowed to deduct these expenses. Presumably these expenses which everyone has—we all have to eat, have clothing and shelter—can be covered in a general basic exemption.

Let us not confuse these two issues. To do so simply makes nonsense of any suggestion that we are moving toward tax reform in the area covered by the resolution of the hon. member for Vegreville. This matter would not involve millions of taxpayers. It would not involve any more difficulty so far as administration is concerned than administration of the tax law for the self-employed farmer, fisherman or any one of a dozen other categories of people, be they professionals or tradesmen. I wish that for once the government could get this simple proposition through its head. Let us not have any more of the kind of nonsense that is peddled with the white paper, about the government being the great white father and saying, "We are going to be very big hearted and allow you an extra $150 a year." This is not what it seems.

I submit, Mr. Speaker—I mention it for the benefit of the hon. member for York North who participated in the debate—that this proposal will increase discrimination against working people so far as expenses are concerned because it is based on a percentage of income principle. It has no relationship whatever to the amount of the expenses. In other words, as long as one is discussing income below the ceiling, in effect the more poorly paid worker is charged more for the expenses he incurs than the person in a higher income bracket. Is this equity? I suppose it is the Liberal concept of a just society.

I hope the hon. member for York North will make an attempt at least to consider my argument. He is a member of the august Committee on Finance, Trade and Economic Affairs, to which I have not ventured to aspire. Nevertheless, when it comes down to these fundamental, practical questions of equity and tax law it seems to me that one does not have to move too far into the ethereal realm of high finance to be able to understand simple economic justice for working people.

I am very happy that the hon. member for Vegreville has recognized the existence of this problem and has taken the initiative to put this resolution on the Order Paper. I hope he will continue to pursue this matter. I think there is a growing disposition in various quarters of the House to recognize that this is a real problem of discrimination and that it can be dealt with in a sane, practical manner. We no longer need to be fooled by the kind of smokescreen of administrative difficulties that has been drawn across this issue over the years in many sessions of Parliament.

• (5:40 p.m.)

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, this is the second occasion on which a member of the official opposition by private member's resolution has brought to this House matters that are basically under consideration in the Finance Committee study of the white paper. On the previous occasion resolution No. 12, in the name of the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam), dealt with similar matters—basically, the travelling expenses incurred by certain categories of employees. With some regret at that time I found myself unable to support the motion, principally because due

to faulty research and draftsmanship the motion, if adopted, for some unaccountable reason never explained, would have discriminated against persons who were ordinarily domiciled in situations that did not involve relationships such as by blood, marriage or adoption.

The single man or the man living in sin, but working away from his place of sinful activities or of his single bliss as the case may be, would not have been allowed the same deductions for travelling expenses—

An hon. Member: What about for tools?

Mr. Mahoney: —as the man who was more conventionally situated. Now we find a resolution which certainly is very fine in spirit but again, due to faulty research, we are asked to recommend to the government that it deal with regulations under the Income Tax Act. As the hon. member for Comox-Alberni (Mr. Barnett) has pointed out, passage of this resolution would be futile because the particular provisions of the law that give offence to the hon. member for Vegreville (Mr. Mazankowski) are contained in the act itself and not in the regulations.

Mr. Mazankowski: On a point of order, Mr. Speaker, I did say an amendment to the act and the regulations.

Mr. Mahoney: I am sincerely sorry, Your Honour. I was merely reading the resolution as it appears on the Order Paper. We are being asked to support the following motion:

> That an humble address be presented to His Excellency praying that the Governor in Council will amend the regulations under the Income Tax Act—

I did not catch the hon. member amending the motion in the course of his comments. In any case, the provisions of the act define income from office or employment and the deductions by which a taxpayer is permitted to reduce his income, and the act itself states that no other deductions are allowed. Accordingly, while one may comment on the principle advanced here, it is with regret that I cannot support the resolution because to do so would be futile.

The hon. member for York North (Mr. Danson) has spoken most eloquently on the white paper that we are studying in the general area of tax reform. That is certainly an exposition which the country and members of this House perhaps not as intimately acquainted with the process as members of the Finance Committee would do well to refer to. This is a genuine exercise in participatory democracy. Whether or not it will be a successful exercise remains to be seen. However, I think its success will in large measure be affected by the sincerity and honesty with which members of this chamber on all sides approach the process, and comments that the white paper proposals for tax reform contain certain social goals are not particularly honest when expressed in terms of amazement at the discovery of some sinister plot.

The fact is that the white paper states very frankly and openly that one of the goals of tax reform in Canada is a social goal. Paragraph 1.13, for those who have been critical of the white paper without getting down to reading to page 7 of it, gives the reference and it is very clear and very precise. There are other goals as well. Just what weight a person gives to the achievement of different goals is a matter of bona fide contention and bona fide debate. It is my personal feeling that economic goals should carry considerable weight, since I cannot quite visualize how an economic shortfall would result in anything but a social shortfall, whereas I do not feel that a social shortfall would necessarily bring economic disaster to Canada.

So, Mr. Speaker, in considering the white paper we are being asked to consider many goals. Certainly the social one mentioned by the hon. member for Vegreville is one, but it is far from the only one. Just what priority a Member of Parliament or a Canadian taxpayer may give the achievement of the various goals is, as I have said, a matter of very legitimate choice on this part. But let us not kid ourselves that there is anything sinister in the white paper suggestion that social goals are legitimate objectives of the tax system.

A second item which the hon. member for Vegreville evidently discovered with some surprise is the rather inequitable situation which exists, and I would be the first to admit it, regarding the treatment of bona fide expenses incurred by employees in earnings their salaries of wages. This is nothing new, either. The Carter Commission noted the situation in rather eloquent terms on page 290 of volume III of their report, when they said in one short sentence:

> The present unfair discrimination against employees should be removed.

However, they rather disputed the basic premise of the hon. member for Comox-Alberni by saying:

> —because a large number of employees would be involved, the task of assessment would be enormous if each employee submitted an itemized claim for his or her actual expenses.

Further on in their report they noted that the Income Tax Department was having quite enough difficulty dealing with the half million itemized expense claims that it was dealing with when the commission was conducting its hearings, and that the problem would probably be insurmountable if it had to deal with another 4½ million itemized claims from all the taxpayers of Canada. However, the Carter approach was different from that taken in the white paper. The Carter approach would suggest that employees should have the option of deducting actual expenses of this nature or electing the optional deduction of 3 per cent with a ceiling of $500. I think that the Carter approach on this particular item has considerable merit, and I know it is an alternative which the Finance Committee of this House will be considering in its study of the white paper.

The proposals in the white paper dealing with this item, in paragraphs 2.12 and 2.13, suggest no option at all—everyone drawing wages may take a deduction of 3 per cent up to a maximum of $150. That effectively places the ceiling, so far as deductions are concerned, at $5,000 wages or salary. The $500 ceiling proposed by Carter would have raised this ceiling to the $16,606.77 mark. I am not too sure that the Carter ceiling is necessarily desirable. It seems to me that employees in that salary range have a considerable amount of influence on the conditions of their employment and on the supply of tools, books or whatever is necessary for the proper conduct of their trade.

• (5:50 p.m.)

I was very glad that the hon. member for Vegreville mentioned the problem faced by university professors and teachers. In this area it may be said that the law is an ass. A university professor cannot claim the cost of books or research materials relating to his employment by an institution, but if he does freelance work or independent research the cost of the materials used can be set off against the income derived in this manner.

Some years ago a journalist took a case to the Income Tax Appeal Board in the full knowledge that he could not win, but he hoped to draw attention, to the rather silly situation which existed in the case of a person whose income was derived from salary and freelance work. He pointed out the illogical treatment of expenses under the law. The board informed him that had he chosen to set off his expenses against the freelance income instead of the salary, the appeal would have been allowed. His was a public spirited gesture to demonstrate the folly of the existing procedure, but all he obtained from the appeal board was sympathy.

This question comes before the House at a time when taxation is of great concern to all of us. I am grateful to the hon. member for Vegreville for bringing it before us so that we may discuss it publicly. However, I must oppose the motion because I do not feel it will achieve his objective. With a general revision of the income tax laws due in a short time, we will have a opportunity to deal with this and other items that appear inequitable. Hopefully, we will be offered an income tax system easily administered and understood, which will not require an extra cadre of bookkeepers on the staff of the Department of National Revenue. It should be simple enough that the taxpayer can understand it and that the tax collector can quickly establish the identity of those evading taxation.

I suspect that the Carter recommendation might have resulted in an overly complex system. There is merit to the suggestion of setting tax as a flat percentage of salary with a ceiling as an allowance for employment expenses, but this opposes the pure equity of the idea that a person should be able to deduct legitimate expenses incurred in the earning of income. Practicality is also an objective of a tax system, and I am prepared to listen to argument for a workable system which would allow the deduction of expenses without imposing too great a burden on the taxpayer and the tax collector. This Mr. Speaker, is desirable but it may not be possible.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, there is not very much time left but I should like to say a word in this debate and congratulate the hon. member for Vegreville (Mr. Mazankowski) on the intent of his motion. As has been pointed out, it may not be the right way to raise the subject, but this is a matter of opinion. I feel that it should be brought to the attention of the Finance Committee and included in the consideration of the white paper changes.

I am sorry that the hon. member for Comox-Alberni (Mr. Barnett) took a cynical line about the processes of the white paper and the intent of its authors. I do not think he has any reason to believe that the process

will not be followed. It is the government's job to bring in legislation, and the job of the opposition to criticize it. In fact, everybody in Canada has been given the opportunity to criticize and comment on the white paper on tax reform. I hope the hon. member will have constructive criticism to offer to the committee.

Mr. Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

The House resumed consideration of the motion of Mr. Olson that Bill C-197, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, just before the witching hour set aside for private members' business, I was discussing the success, work and involvement of various marketing boards throughout Canada. I was somewhat pleased with the speech delivered by my hon. friend from Kent-Essex (Mr. Danforth) who, while seeming to disagree with the most vital requisite of programming and planning involved in marketing boards and questions relating to supply and management, nevertheless agrees, I feel, that producers must be in a position to plan their programs.

I was also interested in the remarks of the hon. member for Roberval (Mr. Gauthier) who spoke about some of the problems in Quebec. It is interesting to note that the dairy industry there is considering adopting a program which would effectively reduce surplus milk production in Quebec. I hope this type of thinking will spill over into other agricultural endeavours in Quebec which are experiencing very heavy surpluses in domestic and other markets. We hope their endeavours will be successful. I hope—this may not be the right term to use—that a somewhat different position will be created with regard to broiler prices across Canada.

In speaking about marketing boards of British Columbia previously, I wanted to state categorically that I was not referring to hypothetical examples. I was making a report from actual experience. For many years past various commodity groups in British Columbia have brought a measure of stability unequalled anywhere in Canada. A great deal of work has been done in our dairy industry. While we all agree that this is a very complex problem, it is interesting to note that the cost to the taxpayer in that province for the subsidy payments for manufacturing milk have been somewhat less than $1 million. They operate so as to take care of their fluid milk but import many of the products developed from manufacturing milk from other provinces.

If Your Honour will permit a reference to the broiler industry, may I point out that only twice during the past eight years has that industry suffered from depressed wholesale markets. On both occasions secondary industry processors pressured the broiler board into excessive quotas. The experience was very educational for them and I doubt if the processors will permit a repeat performance.

A frequent argument of the uninformed and inexperienced centres around the mistaken conclusion that supply management programs tend to stifle competition. The opposite is true. Indiscriminate production is usually coupled with indiscriminate diversification. Of course, in this way a farmer can swing from commodity to commodity as the bottom falls out of the markets. Supply management programs tend to lean toward more specialization. We therefore find commodity groups competing with each other for the consumer's dollar.

I feel this is a very important point that ought to be considered by all those now endeavouring to examine Bill C-197. It will not create monopolies if those in the various individual commodity groups are prepared to establish programs, plans and agencies so as to be in direct competition with those in other commodity groups. Turkey men will compete with broiler operators. The hog people are continually striving for a higher spot on the volume scale, as opposed to beef and poultry operators. The egg industry is also in there

pitching. We never experienced that degree of sincere competition during the days when secondary industry was in the driver's seat.

Another argument that I feel is false is that under supply management we protect the small and inefficient producers. In view of many years of involvement in the food industry—an involvement in areas of hatchery production, processing plants, cash crops and egg farms—I am convinced that bigness alone does not guarantee efficiency. We small operators have successfully competed with giants in the meat packing industry for years. Under a program of supply management, inefficient operators still go out of business or sell out to more efficient operators. The important point to remember is that under supply management programs the efficient operator can survive in competition with other commodity groups.

Area and international competition play an important role in demanding high efficiency without wrecking stability. Anyone who imagines that Bill C-197 will create a giant monopoly for farmers and farm products is simply mistaken. The facts show that farm commodity groups operating under supply management programs are providing high quality, low priced products at reasonably stable prices the year round. If you doubt this, Mr. Speaker, I suggest that you ask a consumer to list the high protein items she prefers, based on quality and price. While doing so it might be advisable to undertake a producer check as well. Learn of the hazards of the sharecropper operating at the mercy of secondary industry in certain areas. This is only one area in Canada where marketing boards are not in evidence. Compare them with the independent, financially sound farmers operating within a supply management program. I refer again to British Columbia because that is where my experience lies.

• (8:10 p.m.)

It has been said that supply management boards assist giant corporations to build vertical integration at the expense of independent farming. Here again, the opposite is true. Vertical integration preceded supply management programs and were stopped in their tracks by marketing boards. There is no evidence that vertical integration can provide lower-cost farm products to consumers. Millions of dollars have been wasted in the United States while attempting to prove that vertical integration without supply management works. In one attempt a number of years ago a giant corporation in California lost $40 million before they gave up. A very large milling company lost $21 million in Washington and Oregon before they gracefully withdrew.

Only the companies who were content to draw on their huge financial reserves have continued their vertically integrated operations in the United States. There is presently a great deal of evidence to show that since a few companies now virtually control the entire production of some commodity groups in the U.S.A., they are commencing to practice supply management techniques. Farmers have been reduced to production helpers. It now appears their only hope is to join unions which will give some financial security while further eroding their once enjoyed independence.

There is an expressed feeling by some that self-disciplinary measures as provided by enabling legislation restrict individual rights. Proponents of voluntary participation should explain why voluntary restraints as recommended by the Prices and Incomes Commission are not working. Without the totally unsatisfactory policy of tight money and high interest rates, inflation will not be brought under control. Human nature will not permit it. Voluntary restraints in marketing simply have not worked. They have been tried on many occasions in many sections of Canada.

I quote from an article by Mr. D. C. Fillmore, Q.C., who is considered an authority on marketing as related to the tree fruit industry in British Columbia. He stresses the importance of industry self-discipline in these words:

> The British Columbia growers long ago found that merely having most of the growers co-operating to build expensive cold storage plants so that the marketing season could be extended, merely supplied an umbrella under which the selfish minority of growers could find good markets (which would not otherwise exist) and be able to sell all their crops in a few weeks without incurring any of the costs of co-operative marketing. A brief review of the tree fruit industry bears this out clearly. It had become obvious even as early as 1913 that some form of collective action would have to be taken by the growers and these were primarily men who had come from other parts of Canada and from the United Kingdom and were as staunch supporters of free enterprise as any that could be found.

He says in a later paragraph:

> Even the most individualistic growers realized that there had to be some means of ensuring that when a substantial majority had decided that a certain method was essential to permit economic survival, their plans could not be upset by a minority who could gain an advantage through staying outside—an advantage that would only exist because of the foresight of the majority.

While I am referring to testimonials in support of this bill, Mr. Speaker, may I also quote from a speech delivered by Mr. Fred Beeson, editor of *Canada Poultryman*. His speech was presented in San Francisco on invitation from the American Poultry and Hatchery Federation, the largest trade organization of its kind in the world. This quotation is from a letter written by B. H. Creelman, general manager, Surrey Co-operative Association, Cloverdale, B.C.:

> In reply to your enquiry as to my opinion of the merits of the B.C. Broiler Marketing Board, since its inception in January 1962, I may say that without the control of this board, our broiler industry would not be nearly as financially sound as it is today, and I believe that many of our producers would not have been able to carry on in the business but would have lost their investment and been forced out of the industry. I can recall the very desperate condition of the industry before the board came into being. The prices were low and uncertain but since the board has been functioning there has been much more stability in the industry here and prices have been more stable. There have been occasions when great pressure has been exerted on the board to lower prices due to large stocks on hand but the board in their wisdom have been able to maintain a reasonable price and reduce the placement of chicks until the surplus stock has been reduced. This board is elected by the producers of broilers and this gives democratic control of the industry by the industry itself. I feel that orderly marketing of agricultural products is necessary and desirable in the interest of all phases of the industry.

It is interesting to note that Mr. Creelman does not represent a producer co-operative in the sense that they market farm produce. They service farmers with feed and other essentials, operating more as a secondary industry. I wish to point out that during the formative years to which he is referring the price of broilers remained stable, even at the chain store level, and the quality of the product improved tremendously. This can be confirmed by those who purchased chicken products in the area.

Bill C-197, Mr. Speaker, must be considered to be a good bill. However, there are those who agree with me that it is not a perfect bill. I am therefore serving notice that I intend to introduce some amendments for the consideration of the Standing Committee on Agriculture when the committee is in session.

Mr. Ricard: Do you have permission?

Mr. Pringle: I consider that early reference to the committee is most important in order to enable consultation with witnesses from organizations representing farm commodity groups across Canada. It is felt that the definition of "farm products" requires more clarification. More emphasis relating to producer majority representation on the council and agencies should be considered. Without being specific in Bill C-197, it has been suggested that the definition of authority of the agencies should be broadened to facilitate administration. The powers of inspection could also stand some clarification.

I am confident, Mr. Speaker, that the committee will approach the examination of Bill C-197 objectively, fully realizing it is long overdue and can only serve to provide agricultural producers with the incentive to join other Canadian industries in adopting operational programs which will allow full competition between food commodity groups, while providing Canadian consumers with high quality food products at the lowest possible price, commensurate with efficient costs of production. I am confident the Minister of Agriculture (Mr. Olson) is looking forward to the meetings with members of the Standing Committee on Agriculture. I am confident that with suggestions from his department and suggestions from the committee we will be able to introduce some very worth-while amendments which I think will improve this bill.

• (8:20 p.m.)

Governments can continue to establish the ground rules, and they should, in consultation with producers and members of allied industries. But the governmental, paternalistic approach is really not acceptable any longer. Farmers in many areas have proven themselves capable of handling their production and marketing affairs in face of competition from various food commodity groups, and to the mutual advantage of producers and consumers.

Bill C-197 will lend some federal support to existing provincial legislation. It behooves us all to support Canadian farm producers in their earnest desire properly to participate in the production and marketing of the products they produce. I am confident that Bill C-197 will be given early second reading and sent to the Standing Committee on Agriculture.

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, may I begin by saying I consider Bill C-197 is the most amazing piece of legislation ever presented to a democratic Parliament. It is not the type of marketing board referred to by my good friend from Fraser Valley East

(Mr. Pringle), though I would add that I agree with some of his opinions on vertical integration.

No one can deny the need for marketing agencies to handle the produce of half a million farms spread over a vast area embracing millions of square miles. But we wonder whether in this legislation we are discussing state control rather than marketing boards. The bill proposes to take control out of the hands of the primary producer and provincial bodies and place it in the hands of government appointed bureaucrats. What guarantee have we that all areas of agriculture and all sections of the country will be represented by these appointees? Does this not suggest some shocking possibilities, such as the favouring of some areas of the country over others? I will deal with this question further in regard to the Dairy Commission.

Although the bill mentions the interests of the consumer, no examples are given of how the consumer will benefit. I failed to find any mention of specific benefits to the primary producer in my study of the bill. On different occasions the minister has talked about "consensus" and about the "requests made by a substantial majority of producers" for marketing boards. But I should like to ask what relation Bill C-197 has to this particular concept.

After an initial grant from the government for the purpose of establishing such an agency, the producer will be required to pay for maintenance of that agency. With the rigid controls that will be placed on his production, the farmer will be uneasy, to say the least, about the benefits, if any, that he is going to derive from this legislation. His profits are dwindling now, and this is but one other expense added to many. It is something like buying a pig in a poke.

Cannot you picture, Mr. Speaker, the farmer, who is one of the most independent operators to be found anywhere—I might add he has not much left but his independence—reacting to the added chore of keeping the records that are required by this agency, to be submitted to them on request? What about his reaction to having an inspector prying into the sale of every item? I shudder to think of the cost, paid by the farmer, of hiring enough inspectors to police every farm in Canada. Considering the mood of today's farmer, he may well ask whether he will also be asked to contribute to the cost of building more jails to house those farmers who, inadvertently or otherwise, fail to come to heel and may be required to spend two years in jail to bring to their attention the fact that this is not a free country after all.

As an example of this type of legislation—and this surely cannot be regarded as a hypothetical one—let me refer to the Canadian Dairy Commission. When it was formed in 1966 it seemed an innocent enough body, set up to handle dairy products and related problems and to pay subsidies where subsidies were required. For the record, I may say the commissioners were top-flight men. They were co-operative in every way, and I mean no criticism of them by any of my remarks tonight. However, the commission set limits on production or quotas for subsidy payments on manufacturing milk. Aside from an upper limit, a producer had to produce so much per year or no subsidy would be paid. When a dairy herd was dispersed, if the quota attached reverted to the commission it could be reallocated or not, as the Dairy Commission wished.

The next step was to subtract all costs involved in exporting milk surpluses from the amount of money voted for the payment of subsidies. A hold back of 26 cents from the $1.25 subsidy per 100 pounds of 3.5 per cent milk left a subsidy of 99 cents a hundredweight. On all over-quota production, the holdback was doubled to 56 cents a hundredweight. This year the holdback on overproduction has been increased to $1.25 a hundredweight. In addition to this, the government is now seeking provincial co-operation to get control of the fluid milk business so that it might place a levy of $1.25 a hundredweight on all surplus milk produced by fluid milk shippers. As most fluid milk quotas are small in relation to total production, this would, if allowed to take place, put many producers out of business immediately. If anyone thinks this is not so, they should, as I have, talk to these fluid milk shippers. Since fluid milk shippers are not subsidized on any portion of their milk, this cannot be called a holdback but a straight, downright fine. Is it any wonder, then, that as a farmer for over 30 years I am suspicious of the absolute power that is granted by Bill C-197?

The provincial governments are going to be asked to collect this fine for the federal government. It is to be hoped that they will have enough guts to stand up to the federal government on this matter and protect the rights of their fluid milk shippers.

Some hon. Members: Hear, hear!

Mr. Moore: I mentioned earlier that there is no guarantee that the official appointed by the government to act on the proposed National Farm Products Marketing Council will represent all areas of production, geographically or otherwise. To illustrate this, I understand that recently the official from western Canada resigned from the Dairy Commission. Has his place been filled by another man from western Canada? Western Canada is a pretty big area. I will answer that question: It has not. This only adds to my suspicions, shared by many western farmers, that this government is not too interested in the problems of agriculture in general and in western Canada in particular. Can we be blamed for being concerned when the officers of the marketing council are to be appointed by the government?

What are some of the results of this rigid state control by the Dairy Commission? I do not think this sort of control can be called anything else. First of all, the producers are receiving little more for their product, in the face of rising costs. Some are receiving less. Many have been forced out of business. In addition, it is virtually impossible for a young dairy farmer to become established at the present time. The fluid milk shipper, especially those with small operations, is worried about his future, and he has cause to be.

• (8:30 p.m.)

The consumer is paying more than ever before. In other words, there are more problems than ever before and nothing has been solved. We might ask the many members of this House who have a dairy industry in their constituencies about the number of letters and calls for help they have been receiving. An illustration of the type of assistance we can expect is contained in the statement made by the minister concerning what the farmer could do with the $2 milk which would result after a fine of $1.25 per hundredweight had been levied.

There is no suggestion that it should be fed to school children, needy families or even all consumers. No, the $2 milk is to be fed to calves and $4.85 per hundredweight will be realized for the milk. Remember that the minister is speaking about the dairy industry and dairy cows. Most dairy cows in good herds today—and we are talking about good herds because we are talking about fluid milk shippers—produce about 100 or more pounds a day when they freshen because of the advances in breeding and genetics. One hundred pounds of milk today will not feed only one calf; it will feed at least five calves. We are talking only about male calves. I am quite sure the minister is aware that one can count on 50 per cent of his calves being male calves and 50 per cent being heifer calves. No good dairyman will pour the milk into a heifer if she is to be a producer when she matures.

Therefore, what do we need? We need cows that have litters, I guess. I know from experience that before the dairy policy was enunciated, 104 dairy bull calves were sold in one afternoon at a little sale down in my constituency. By the way, these calves sold for an average of $70 each. They were about three weeks old, because under the law in Alberta they cannot be sold at an earlier age by public auction. Shortly after the dairy policy was announced the price went up to $1 a pound, and soon there were not any for sale; people became panicky and decided they should keep their calves since they would have the surplus milk. There certainly would not seem to be much thought behind this suggestion.

In conclusion I ask, is it not dangerous to place this particular control in the hands of a government-appointed body which can make up the rules as it goes along? The welfare of an industry, a basic industry, and in fact the very way of life of a great number of Canadians, is to be placed in the hands of a few bureaucrats.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, as a farmer I am naturally quite interested in legislation of this type. During most of my life as a farmer I have been involved with the problem of surpluses and low prices. Sometimes these low prices were not necessarily a result of a surplus but, rather, because farmers did not have the power to ask for the prices for their products to which they were entitled. As a consequence, when legislation of this nature is being discussed I have more than a normal amount of interest in it.

Sometimes people who do not understand the problems of farmers and the marketing position of farmers, and who do not understand the situation in respect of the low prices farmers receive for their products and the high cost of farming these days, suggest that farmers are a little like purple people eaters and ask what is the matter out on the farm.

I should like to suggest one reason is the poor bargaining power and consequently

prices which are too low. I have a book entitled "The Search for Stability," written by Charles Schwartz. It is not a new book, but after reviewing it today I find that some of the arguments in it are still valid. He deals with a time during the 1920s when farmers were concerned about the lack of bargaining strength, or what he calls the countervailing power. My father was a farmer in Saskatchewan early in the history of that province. The story he tells me is quite similar to my own experience.

With the exception of a short period during World War I and a short period immediately following World War II, the farmers in western Canada have fought low prices and a poor bargaining position. Last spring and last summer, as a member of the Agricultural Committee I toured the country and discovered that Prairie farmers are not the only people who have problems in this regard. I discovered, for example, that in the Niagara Peninsula there are vegetable producers, fruit growers and so on whose problems are similar to mine except that they produce a perishable product which must be marketed within a very limited time so that its value will not be lost.

I was a little disturbed about the bitterness expressed by some of these farmers. In Prince Edward Island I heard the same story. In the Fraser Valley I heard a somewhat similar story. I have heard the hon. member for Fraser Valley East (Mr. Pringle) talk about market management and the value of it. I would agree with him that this is a desirable objective. I have also heard the hon. member for Okanagan Boundary (Mr. Howard) talk about the problems and experiences of fruit growers. They do have their problems, but I believe they have been more successful in respect of marketing than some other producers in Canada. I suggest that it is not as simple a matter as they seem to think. I do not say this facetiously at all. They produce a product in a relatively small area among relatively few farmers. It is easier to organize these farmers than it is to organize farmers who are spread right across the country. I think they have achieved more than has been achieved in other agricultural or farming activities. I compliment them on that.

I suggest to the members who represent these areas it is my experience that in a wider area of farming, involving a larger number of farmers, the problem in respect of organizing farmers and the marketing end of the business is not as easy as it is in a smaller geographic area or in an area where there is a relatively limited or, if you like, captive market which is shut off by mountains or other physical features from the remainder of the country. As a farmer and producer representing a farming area, I should like to see the farmers in my area emulate what they have achieved or at least come closer to achieving it.

As a Member of Parliament representing a farming area, I should like to place in the hands of the farmers more power to control the marketing methods and the price of their products. I think this would be a desirable objective and one which the farmers would applaud. How can we achieve this? I support orderly marketing such as we have had through the Canadian Wheat Board in respect of grains. However, I regret that over the years we have not had more farmer representation on this board. I feel that the farmer's interests might have been better served had this been the case.

• (8:40 p.m.)

On looking at the legislation and checking the Agricultural Products Marketing Act, if my understanding of these two acts is correct, I find that the one which we have on the statute books already allocates federal powers to provincial marketing boards, while in the case of the act now before us the reverse is true. Under the bill before us we are to set up a federal agency and request or invite provincial marketing authorities or boards to cooperate. In effect, this bill is permissive, not compulsory.

I am not quite sure—perhaps someone will tell me before the debate is over—how we will secure the participation of all provinces in a particular item. A particular province might be allowed to participate if it has such legislation on its statute books. I should like someone from the government side of the House to tell us how this might work. Certainly, I look forward to discussing some of the items in the committee. As I understand it, this legislation is permissive. If the provinces wish to join, they may.

Some mention was made earlier today of the reservation that many of us have about the lack of control by farmers over their products. This disturbs me somewhat. The last speaker mentioned the dairy policy in his province. I have seen things happen in regard to the Wheat Board which I thought were errors of judgment. We all make errors, so I do not suppose we should throw stones too

readily. But if the people directly affected by this legislation have no means of registering a protest except through their Member of Parliament, I wonder if this is the wisest type of legislation to have. If we could introduce some means whereby farmers who grow fruit in the Okanagan Valley, or who produce meat in other areas, or chickens or eggs, could register a protest directly to the board, I would be happy to hear about it. Perhaps the hon. member for Okanagan Boundary could enlighten us in this respect. I understand he is going to speak on the bill.

I read the minister's speech this evening and I find that he did not go into great detail on how this legislation might work. I do not see in the legislation any means whereby farmers may have some control over the products which they grow and which presumably will be handled by a suitable marketing agency.

As I said earlier, I favour this type of approach. I feel very strongly that farmers need more bargaining power nationally. I notice that the minister made reference in his speech to the fact that foreign trade is not covered by this legislation. I am not sure of the reason for this. As I recall, he did not say what it was but told us only that the act does not cover it. Again, this raises a question in my mind: Why is there this reservation? Perhaps a government spokesman, again, will tell us why this particular item is omitted. For example, if we raise meat in Canada and there is an import of beef from the United States, why should not a board or agency dealing with domestic beef also deal with imported beef? I would be glad to have an answer to that question. I am raising the question now, not arguing about it.

As I have said, the intent of the legislation is good. What I question is how it will be applied. I think that primarily there is concern among farmers that they will be forced out of farming in increasingly large numbers, and that the need for them is disappearing. I wonder if it is wise policy for the government to reduce the number of farming people in rural areas of Canada. It is true that some of them may not have economic farming units, but when they are forced into cities or urban communities they become a social problem and they increase the unemployment problem.

I ask: What is the cost, financially or socially, of the disruption when a rural family is forced to move into the city? I believe that a cost analysis would prove it to be more efficient to maintain the size and viability of rural communities, and that the thousands who find rural life attractive should be provided with incentives to permit them to remain on the land. I hope that legislation of the type that we are presently considering will stabilize the price of some agricultural products to such an extent that at least those farmers who have efficient and economic farming units will be enabled to continue farming.

I should like to speak for a moment about some of the changes I have seen taking place in the area which I represent. When I was home during the Christmas recess I visited two large-scale hog producing plants on individual farms. They are somewhat like those one sees on experimental farms. They are efficient units run by up to date, forward-looking farmers. We see quite a few of these, and I am sure there will be more. Farmers nowadays know more about their business. Many of them are highly skilled, efficient operators but they have to be guided by advice from the government.

Not too long ago we were advised to grow more wheat. This, of course, proved to be a mistake. Now we are advised not to grow any wheat. I feel that this, too, is a mistake. I think that if farmers were given some voice and the right to make a decision in the growing, marketing and pricing of their products, there would be less error. Government statisticians and theoreticians are a long way removed from the production area and they do not always understand the problems involved in production.

It is true that we will have surpluses in Canada. I feel that a reasonable surplus in one area is not a bad thing. I recall hearing Jimmy Gardiner at one time talk about having to keep enough butter in the pipeline because if you did not, someone would charge too much money for it. The thing that he did not get around to explaining satisfactorily was that the minute there was five pounds too much, the price went down and nobody made any money. This is something I cannot accept.

We should be prepared in Canada to produce at least some surplus in all fields. I think this would be a national asset, particularly in some areas which produce, for instance, grain of which we should have at all times a fairly large amount in reserve for our own benefit as well as for the benefit of those who depend on us for supplies. I do not think it is a bad thing to have a little extra butter or a little extra of some other produce.

• (8:50 p.m.)

I would not suggest that we go out consistently and overproduce in any line. I do not think we should plan for overproduction in this sense, but I do not think necessarily it is a bad thing when we do have an oversupply, except that the way in which we market our products can mean that prices will be too low. I cannot accept this as being necessarily a right way of doing things. It does not happen with automobiles. If automobile manufacturers overproduce, they do not cut prices very much. Maybe the automobile manufacturer will cut the price on one line, but not on all lines. In agriculture, the price of everything comes down.

I know there are other hon. members who wish to speak on this bill, Mr. Speaker. I look forward to dealing with it in committee. I have raised questions which I hope someone on the government side will answer.

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, I want to say a few words about this bill which is one I consider to be very important. As the hon. member for Battleford-Kindersley (Mr. Thomson) so kindly pointed out, I represent an area of the country that has had a great deal of experience with organized marketing and I would say a great deal of successful experience because organized marketing in the Okanagan Valley has served as a guidepost for agricultural organizations throughout Canada. The fruit growing organizations there have accomplished a remarkable thing with their central selling and marketing agency. They have developed a very close link between the customer, wherever he may be in the world, and the producer, the man who grows the fruit in the Okanagan Valley. I think this close link is lacking in the control of our agricultural marketing programs in Canada.

A few months ago I had an opportunity to travel with the Agricultural Committee into some parts of the Prairies. One of the things that impressed me was the lack of understanding between the producers of grain on the Prairies and their customers throughout the world. The attitude there seemed to be, "We produce it; now here it is, Mr. Government, go out and sell it. We don't care what you do with it in the meantime; just get rid of it. Don't bother us." One of the great benefits of a central selling organization, provided it is run and controlled by the producers, is that a link develops between the producer and his customer whereby the producer begins to understand the customer's demands, he understands better what he should produce and how he should produce it and market it.

I heard some startling things this afternoon when the hon. member for Kent-Essex (Mr. Danforth) was complaining about government intrusion, through a marketing bill of this kind, into the affairs of the farmer. There was talk of government interference. We have heard all these phrases previously, yet what happens when there is a problem in the agricultural industry? Who comes to this House first to say, "We must hand out some money. We must do something to help the farmer"? The hon. member for Kent-Essex is right in there. He wants government interference then. He does not want government interference, regulations or any sensible control by the farmers themselves to solve their farm management problems.

I am not afraid of controlled marketing because I have seen it work. Many years ago when the program began in the Okanagan Valley during the depression years, the farmers were suffering badly. They got together and they said, "A cent a pound or on the ground". That was the beginning of central selling or orderly marketing in that area. Over the years it has become a very successful program. It has built an agency that has developed packaging programs, shipping, sorting, controlled atmosphere storage, educational programs for growers and all the facets of an advanced marketing system that is run and controlled by the producers, the farmers themselves.

Mr. Danforth: That is it.

Mr. Howard (Okanagan Boundary): I agree with you, and there is provision in this bill to allow and to encourage that to happen.

Mr. Danforth: You had better read the bill.

Mr. Olson: Somebody there has not read it.

Mr. Howard (Okanagan Boundary): Mr. Speaker, Dean MacPhee of the University of British Columbia produced a monumental report on the fruit industry in 1958. One of the things he said was, "Fruit growing may be a way of life, but it is also a way of making a living". I think that sometimes people in our farm communities forget this, when we hear about the God-given right of anyone, anywhere, any time, any place, to be a farmer and to produce in any way that he likes without regard to the effect that his

production may have on other producers in Canada. I suggest that perhaps this is the only economic sector where we say it is possible for anybody at any time to go into the business and do whatever he likes in it. There are not very many opportunities of that kind today.

Here we are faced with an industry that is affected by the vagaries of nature, sometimes great and sometimes poor. It is sensible that the people engaged in it take measures to market their products in an orderly way so they can dispose of surpluses in an orderly fashion when they have surpluses, and so they can store for lean years and build up production if demand is greater than the supply. These are sensible things which sensible people do. I do not shy away from them, and I do not shy away from recommending this bill to the people of Canada.

I am surprised when I hear opposition members saying this is not the kind of thing we should be doing. I heard the hon. member for Wetaskiwin (Mr. Moore) say what a shameful thing it is that growers, producers, might have to keep records, that there might be some kind of control on production and there might be some regulation of supply. I do not think that is a strange thing in this modern day and age: it is not at all surprising.

I wish to quote from the 1958 MacPhee report on the fruit industry of British Columbia. One of the recommendations in the report reads as follows:

> That the provincial government request an amendment by the Governor in Council to the federal Order in Council under the Agricultural Products Marketing Act of Canada to give the Fruit Board powers similar to those given it by the Lieutenant Governor in Council in the province of British Columbia, and in addition the powers to pool and equalize returns on tree fruits sold in interprovincial and export trade.

We are beginning to get around to that with this bill. I have some other words here, this time from one of the producer organizations in the Okanagan Valley, with regard to this bill. This is what they say:

> There are situations for certain commodities where co-operation between producer groups and different provinces is needed for the benefit of orderly marketing and can only be effective with national or regional agencies which must be provided for by federal legislation.

That is what the farmers of Canada are saying. I wonder if hon. members opposite who are opposing this bill listen to the farmers of Canada. I admit that this bill is not perfect. I share the concern of other hon. members as to how marketing agencies should be controlled, but if hon. members opposite would read the bill they would see there would be a board which did the controlling.

It is intended that with respect to an individual marketing sector, be it hogs, dairying or whatever, the producers themselves can form a marketing board under the guidance of the government body set up under this bill—a board set up by the producers themselves with their representatives on it to organize and control marketing for the industry. If that is done I think we will solve the problem of control.

• (9:00 p.m.)

This is an extremely important point, not just from the standpoint of farmers having the say in the affairs of their industry; it is important in itself. It provides that vital link, contact between the producer and the marketplace, something which is lacking today in the sale of wheat and feed grains on the Prairies. In that case there is not enough contact between the farmer and the customer, and for that reason I do not agree with some of our marketing methods. The provisions of this bill are such that a link will be established. This is why I support this bill with great enthusiasm, Mr. Speaker. We should proceed with it as quickly as possible and develop it fully in the next few years so that it becomes an important link in our agricultural marketing program in Canada.

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, a few minutes ago when I stood up, before the previous speaker, the Minister of Agriculture (Mr. Olson) whispered to me across the aisle, his surprise evident, "Are you going to speak on this bill?" I have not spoken on agricultural matters more than three or four times in the past ten years since I ceased to be Minister of Agriculture. However, this bill is so dangerous, Mr. Speaker, that I feel I have an obligation to point out the manifest dangers which I believe to be inherent in it—dangers to the agricultural industry and to Canadian society generally.

In my view, if this bill were passed and fully implemented we would have a completely state-controlled agricultural industry in this country, meaning the complete removal of freedom on the part of the farmer to decide how to manage his land in the best way, what to grow, and how to dispose of it. I do not think the farmers in this country want that.

I have been connected with agriculture all my life. My first memories are of a farm near Brampton, Ontario. My boyhood was spent on a ranch in Saskatchewan. I have owned farms or been connected with farming enterprises since that time. Of the tens of thousands of farmers I have known and spoken to, each wanted to make his own decisions, individually or collectively. He did not want some outside group of people telling him how to run his business. Mr. Speaker, that is exactly what this bill is designed to do.

Mr. Danforth: Hear, hear!

Mr. Harkness: I do not think the farmers of this country realize what is involved if this bill is passed and fully implemented. Of course, I do not believe it is possible to fully implement the bill but the attempt could be dangerous and could cause a great deal of difficulty. The bill leaves full control to the government. For his own purposes the member for Okanagan Boundary (Mr. Howard) spoke about producer-controlled marketing boards in British Columbia. I think he is speaking of the fruit boards, and possibly the Fraser Valley milk producers and things along this line. But, Mr. Speaker, these are producer-controlled boards which control the products of their own members. They have an annual meeting and the members can get rid of the board or the officers if they are not satisfied. A board of that kind is formed when 66⅔ per cent of the producers are agreeable and the producers themselves have complete control.

This bill proposes a completely different thing. It bears no relationship to these producer-controlled boards. Under this legislation, control will be in the hands of government or its appointed council or agencies. The people appointed to those positions will be responsible to the government and can be fired by the government; and they will be fired if they do not do what the government tells them to do. Furthermore, Mr. Speaker, most of them will be Liberal heelers of one kind or another.

An hon. Member: That is the whole idea.

Mr. Harkness: They will be defeated Liberal candidates and people like that. These certainly will not be boards such as the hon. member for Okanagan Boundary mentioned, elected by the producers and responsible to the producers. They will not be responsible to anybody except the government, and will be completely under the thumb of the government.

Mr. Olson: The people elect the government.

Mr. Harkness: They do, but unfortunately once the government is elected it is in office for four or five years and a lot of damage can be done in that time by an irresponsible government such as this one. If the minister wishes to ask a question or make an intelligible interruption, I shall be delighted to deal with it, Mr. Speaker, but it is very difficult to deal with unintelligible interruptions.

An hon. Member: Or intelligent.

Mr. Harkness: Well, I did not say that, but people can draw their own conclusions. This bill is designed to put the producer in the position where these government appointed councils or agencies can tell him how much of any particular commodity he can produce, how it is to be marketed, and so forth. There is no doubt that this will make for an extremely dangerous rigidity in the whole agricultural industry. We will have the same type of system in effect in agriculture as there was in the feudal ages, when the economy was in a rigid frame and it was impossible to break out of it. If this bill is passed and implemented, we will have in agriculture a rigidity which will make it difficult for farmers to operate and which in the end will drive them out of business.

Mr. Gibson: Would the hon. member permit a question, Mr. Speaker?

Mr. Harkness: Certainly, Mr. Speaker. I am always delighted to accept a question.

Mr. Gibson: I ask this question with humility, realizing that I am not an expert on the subject. Is not the real aim and substance of this bill the guaranteeing of various marketing factors in the country, particularly with reference to interprovincial matters, where there is a problem in one province in the west, say, and a different problem in another province? Is the idea not to get the various farm agencies in the different provinces together, and through co-operation to set up a network of agencies so they can come together on policy and serve their common interests?

Mr. Harkness: Mr. Speaker, I understand the hon. member's lack of appreciation of this bill just from the short speech he has made.

Had he made a longer speech, I suppose he would have demonstrated his lack of knowledge of agricultural matters to an even greater extent. Regarding the question he asked, I think the purpose of the bill is to have the government assume complete control of the agricultural industry in this country.

An hon. Member: Hear, hear!

• (9:10 p.m.)

Mr. Harkness: I can see nothing else for it but that.

Mr. Gibson: Will the hon. member permit another question?

Mr. Harkness: Mr. Speaker, not now, if my hon. friend does not mind.

Some hon. Members: Oh, oh!

Mr. Dinsdale: This bill is nothing but state control.

Mr. Speaker: Order, please. Would the hon. member kindly resume his seat? The hon. member for Calgary Centre (Mr. Harkness) has the floor.

Mr. Harkness: The hon. member may think he will interrupt my train of thought by these questions, but that is not the case. I will be delighted to answer his questions as soon as I have finished my remarks. He can get up at that time.

Mr. Gibson: Thank you, sir.

Mr. Harkness: In addition to the rigidities which the implementation of this measure will impose on agriculture, and therefore on our economy as a whole to a considerable extent, this bill will put those people who produce a particular commodity that comes under the act in a monopoly position and make it extremely difficult for anybody else to get into that type of production. We have laws against monopolies, but apparently they will not operate so far as this bill is concerned.

I consider one of the worst features of this bill the fact that it will make it extremely difficult for any young man to get started in any type of agricultural production. In order to do so, he will have to obtain a permit and pay for it. And if the production of any commodity, be it hogs, eggs, cattle or anything else, is profitable it will cost a great deal for someone to buy a permit, quota or whatever is necessary in order to get into production. These rigidities, again, will be reflected in the entire industry.

[Mr. Harkness.]

Another inevitable effect of the bill will be that it will squeeze out the small farmer. We have already seen what has happened in this country so far as the Dairy Commission is concerned. According to figures I have seen, between 25,000 and 50,000 small dairy producers have been squeezed out of business as the result of the operations of the Dairy Commission. An effect of this bill will be that inevitably the type of board contemplated will exercise complete control over commodities to be produced, whether the commodity be carrots, honey or anything else, and again the small man will be squeezed out.

You will find that the production of various commodities will be concentrated in the hands of a relatively small number of people, and our whole agricultural industry as well as our rural areas will suffer very materially as a result. One of the effects of this situation will be to expedite the flight of people from the country to the cities, which in my view has been a very bad development in recent years. You will be left with an extraordinarily small rural population. So, just from the general social point of view, I look upon this as a bad and dangerous bill.

Now I should like to pose a question which really comes back to what my hon. friend was asking me. What is the purpose of the bill? Is its purpose to secure a greater return for the producers? I think nearly all farmers who support the bill are supporting it because they think they will get greater returns by doing so. Is this the purpose of the bill? If so, how is this purpose to be accomplished? Surely the chain of marketing which we have at present is going to remain the same. Commodities will move from the farm to the processor—who may be a meat packer, an egg crater or somebody like that—from the processor to the wholesaler, and from the wholesaler to the retailer who will distribute it just as at present to the general consuming public.

That marketing chain will continue; I think there is no question about that. Of course, there will not be any reduction in the cost of marketing at the levels of processing, wholesaling and retailing. That cost will not be any less and I think it will be a great deal more, because farmers and others will be filling out returns for the government and will have to waste lots of time taking inspectors around and showing them they are not bootlegging eggs, butter or something else. Therefore, the total cost involved in this general marketing chain will be greater.

In addition to that you will have the costs of a very large bureaucracy, which will be added to the marketing costs. There will be costs attributable to this council, to these agencies and probably to a horde of inspectors who will be going round to make sure the farmer is not selling a few dozen eggs to his friends. So you will see a very great increase in the cost of marketing because of the bureaucracy which is essential if you are to operate a system of this kind.

If you are to have an increase in marketing costs—unquestionably there will be an increase; I do not think anybody can argue otherwise—this increase will have to be borne by someone. If the purpose of the legislation is to give the producer more money, who will bear the increased cost? It will be the consumer. Perhaps that is the government's idea. Perhaps the idea is that the consumer will be charged considerably higher prices for all agricultural products. If this is the case, I think the Minister of Consumer and Corporate Affairs (Mr. Basford) has the duty and responsibility toward the consumers of this country to tell them that the cost of butter, eggs, beef, pork and so forth, once this bill passes, will go up and up by fairly considerable amounts.

That being the case, I suggest that the government, before putting this measure through, should wait for the reaction of the consumers. If the government wanted to be honest about this matter, the Minister of Consumer and Corporate Affairs should, as it is his duty to do, inform the consumers of the country that the purpose of the bill is to increase considerably the consumers' food costs. As I say, if the purpose of the bill is to secure a greater return for the farmer, the inevitable effect is that there will be an increased price for consumers, and that ought to be made clear to the consumers.

Mr. Olson: No, that is not correct.

Mr. Harkness: However, Mr. Speaker, if that is not the purpose of the bill, its only other purpose that I can see is to give to the government complete control over our most important basic industry and, in effect, to reduce the farmers of this country to a status very little different from that of feudal peasants of medieval Europe who were told what to do, what to grow and how they were to grow it, only to have their produce taken from them. That is the position the farmers of our country will be in. They will be told by the government and its bureaucrats exactly how to carry on their business, what to plant, how much to plant, and so on.

Mr. Gibson: Not under clause 8.

Mr. Harkness: That is so under any clause, so far as I can see.

Mr. Baldwin: President Pierre will tell the farmers what to do.

Mr. Harkness: Let us look at the clause which particularly appalls me, clause 37(1), which provides in part:

> Every person who violates any provision of this act or of a marketing plan that an agency is authorized to implement or who fails to comply with a requirement of the council pursuant to paragraph (e) of section 7—

In other words, any farmer who violates any provision of the act or any regulation made by the council, and so on, under the act is guilty of an indictable offence and liable to imprisonment for a term not exceeding two years. Here we can charge a farmer with an indictable offence if he decides to grow, we will say, 40 acres of tobacco after the marketing board has told him he can grow only 20 acres. He will be liable to be imprisoned for two years, or he may be guilty of an offence punishable on summary conviction in which case he will pay a fine or go to jail.

How ridiculous can we get in this country, if farmers are to be jailed for growing or selling wheat, cattle, eggs, tobacco, or whatever the product may be, without first having authorization from the duly authorized board to do so? Here you have a situation in which a poor little farmer who sells a few dozen crates of eggs to some of his friends will be liable to go to jail for two years for doing so. The thing is so ridiculous that in any past period, when I would consider more common sense attitudes prevailed, to bring in any provision along that line would have been laughed out of his House. In addition to that, I submit from the practical point of view this whole scheme is a sort of pipe dream. It cannot be put into operation on a Canada-wide basis unless all the provinces agree.

• (9:20 p.m.)

I find it almost impossible to believe that as far as marketing a certain number of commodities is concerned, in fact quite a large number of farm commodities, every province will agree, particularly if the farmers of a province have a relatively small share of the production at the time the bill is put into

effect, and they would have the possibility of very greatly increasing their production. It would not be in the interest of the farmers or the province to agree. In any case, I think it is an unpractical pipe dream. I hope the government will have second thoughts and withdraw the bill. If the hon. member wishes to ask me a question, I will be delighted to answer it.

Mr. Gibson: Mr. Speaker, the hon. member castigated the government pretty solidly for being undemocratic in its approach to this problem. You seem to have overlooked the fact that clause 8 provides for a public hearing. The words of the clause are:

—broadening the authority of an existing agency to cover an additional farm product or farm products—

My question is, do you not consider that if you have an agency set up, the members of that agency can go to the people and ask them what their problems are and if they want an agency? Does he not consider that is a step in the right direction?

Mr. Speaker: Order, please.

Mr. Harkness: Mr. Speaker—

Mr. Speaker: Before the hon. member replies I want to remind the hon. member for Hamilton-Wentworth (Mr. Gibson) that his question should be directed to the Chair. Also, I have some misgivings about discussing the individual clauses at this stage. Hon. members know at this point we ought to be discussing the content and the principle of the bill; we should not get involved in detailed consideration of the individual clauses of the bill. This having been said, I am sure the hon. member for Calgary Centre (Mr. Harkness) should be permitted to reply to the question.

Mr. Harkness: I quite agree with Your Honour that we should be discussing the general principles and features of the bill. This is what I have been attempting to do. In connection with the hon. member's specific question, I consider clause 8 nothing more than camouflage designed to fool the farmers of this country into thinking that they are going to have some control with regard to the marketing of their products. The clause says "A public meeting may be held"; that is all. It does not matter what goes on at the public meeting. The government or the bureaucracy they have appointed can go ahead and do what they want anyway. The fact that a public meeting has been held means absolutely nothing.

[Mr. Harkness.]

Mr. Gibson: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Hamilton-Wentworth is rising on a point of order.

Mr. Gibson: The hon. member said a public meeting may be held. The bill stresses that a public meeting should be held.

Mr. Speaker: Order, please. That is hardly a point of order. Again we are discussing the details of the clause.

Mr. Harkness: Mr. Speaker—

Mr. Speaker: Order, please. I ask hon. members not to embark upon a detailed discussion of the individual clauses of the bill. Obviously, this is what the hon. member for Hamilton-Wentworth is now doing. I think we should limit our discussion to the question of the principle of this bill.

Mr. Harkness: Mr. Speaker, I think the hon. member is attempting to do a little nit-picking which has no connection whatever with the general purpose of the bill. Furthermore, as I said before, I think it makes no difference whether a public meeting is held so long as the government still has the power to go ahead and do what it wants, no matter what the feeling of the public meeting.

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I do not intend to speak at great length on this bill and I shall endeavour to be as brief as possible.

First of all, I should like to say that I support the principle of Bill C-197, and I am even ready to state further that during my election campaign, I promised to my constituents that I would support the principle of the establishment of a National Farm Products Marketing Council and national marketing agencies, especially in respect of potatoes which is an area that concerns me most, since I represent a riding where they produce a lot of potatoes.

[*English*]

I do not question the sincerity of hon. members who direct questions to the minister and others on this side of the House as to why the government introduced a bill of this nature. They ask what the need is for such a bill. In answer to that, Mr. Speaker, I could quote headlines from fairly recent newspaper articles. I quote from the March 1, 1969, *Telegraph-Journal* published in Saint John, New

Brunswick, a three-column headline which reads, "Potato Growers Ask for Help. Prices are Plunging".

I wish to quote from an article in the Fredericton *Daily Gleaner,* the most Conservative of Tory papers in the Maritimes. The headline reads, "National Potato Board Urged by Federation." This is the New Brunswick Federation of Agriculture. I quote from the article regarding the potato situation:

> The New Brunswick Federation of Agriculture meeting in Fredericton voted for establishment of a National Potato Board, to operate in a similar manner as the Canadian Wheat Board.
>
> The National Potato Board would be responsible for marketing the Canadian potato crop, establishing price levels, and imposing marketing quotas on producers.

The New Brunswick Federation of Agriculture is a body composed of farmers, producers and potato growers. This board is not talking on behalf of the government or the government establishment; it is talking on its own behalf. The federation is requesting the government to set up a national marketing board and to introduce legislation to that effect. The article continues:

> In the discussion which took place, before the potato board resolution was adopted by the meeting, it was pointed out that the procedures currently being developed for the operation of a Canadian Egg Commission might be adapted for use in the national marketing of potatoes.
>
> New Brunswick growers, during the past two years,—

This refers to the 1966-67 and 1968-69 potato crop years.

> —have been selling potatoes at less than the cost of production, estimated at 80 cents for a 50-pound bag.
>
> It was also pointed out that in order for a National Potato Board to operate effectively, it would be necessary for growers in each potato producing province to organize provincial marketing plans. Growers in New Brunswick in the past have found it impossible to agree to any marketing plan for a long enough period of time to give the plan a chance to work.

That was in 1968. This year we have had another example of farmers, not refusing to cooperate with the provincial government but refusing to find a decent compromise to the solution of some of their most pressing problems in the field of marketing. I may make reference to this situation later on. The fact is that farmers recognize that something must be done, and done soon, to organize their industry, because they are left at the mercy of fluctuating markets and the law of supply and demand which does not always work out, in this age of technology, the way they would like.

• (9:30 p.m.)

In respect to the bill itself, I think it is imaginative and far-reaching. I am a little sorry that some hon. members opposite did not feel it proper to adopt a more positive attitude when commenting on the purposes of the bill. As a matter of fact, they seemed to prefer to point out some of its shortcomings. Mind you, Mr. Speaker, there are some shortcomings and I have recognized a few. If I am given the opportunity to sit on the Agricultural Committee, I intend to speak about them. But tonight we are discussing the principle of the bill, which I think is a good one. Some order in the over-all field must be brought to the marketing of agricultural products. Too often has the whole industry been open to speculation.

[*Translation*]

—and open as well to dishonest people, to profiteers who have no qualms about crossing provincial boundaries now and then in order to shamefully exploit these poor farmers.

Needless to say, the latter sometimes take us to task for blaming them for their ignorance. It is true that there may still be illiterate farmers, but they are not ignorant.

However, when we the representatives of the people, in many cases elected by a majority of these farmers, want to make constructive suggestions to them, they immediately believe that we want to make them look like a bunch of ignoramuses.

Personally, I blame the farmers not for their ignorance or their illiteracy but especially for their stubbornness and their refusal to want to consider a situation and co-operate more with governments. After all, they are the ones who elect the representatives, but once these have become members of the government in power, the farmers sit back and wait for the government to work miracles and get them out of their troubles.

Sad to say, it just happened again in New Brunswick. While the farmers resent our saying these things in public, they do not hesitate to sling mud at us when things are not going well. In fact, when the year has been a good one and potatoes sell well, the politicians get no credit for it, but when things go wrong, the farmers blame it on the members of Parliament, the government and the Public Service.

Mr. Speaker, I said my remarks would not be very long. So I shall now conclude by saying that this bill must be referred to the Committee on Agriculture as soon as possible

so that we may study it in depth and point out its benefits. I think most of its components are very good, but I also recognize that there are some loopholes in it and that, in a few places, there is room for improvement. The proper body for that study would be the Committee on Agriculture. Even though I might add a few things tonight, I shall sit down, for I intend to come back on this later on.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, at this stage, as you have rightfully pointed out to the members of the House, we are discussing merely the principle of Bill C-197. I want at the outset of my remarks to indicate that this is the point on which I mean to dwell this evening, and to state quite emphatically that I disagree fundamentally with the purposes of the bill that is sponsored by the Minister of Agriculture (Mr. Olson).

I think, unfortunately and tragically, that the bill is moving in the general direction of dealing with the many economic problems that confront Canada at the present time by depending on government action as the final solution and arbiter. Every time a problem, particularly an economic problem, presents itself in this country, automatically the government's response is to have more and more arbitrary power and control in the hands of the government, and perhaps what is even worse than this, more and more arbitrary control in delegating power to a growing public administration in Canada.

It is not necessary for me to enumerate some of the recent trends, but we had the notorious example of Rule 75C which was before the House less than one year ago, under which the government, in its desire to streamline parliamentary debate and to deal with what it regarded as a major difficulty in the Canadian body politic, the expeditious handling of public issues, gave unto itself by legislative decree—in this particular instance, by the use of closure—absolute control over the debating time in this House of Commons.

I oppose Bill C-197 because it follows precisely this trend that has become the pattern of the government's approach to all problems facing Canadians at the present time. I suggest this approach is moving in the opposite direction to that required for the solution of our extremely difficult agricultural problems.

My hon. friend the Minister of Agriculture was in my constituency about two weeks ago and met a group of concerned citizens and farmers in the city of Brandon. I think he will agree with me that he did not get a very positive response to some of the solutions that he, as minister in the government responsible for dealing with agricultural problems today, is proposing as long-term solutions. I know that this particular bill was not directly under consideration that evening; the farmers were most concerned with the topical subject of LIFT, the "Lower Inventory For Tomorrow" program which they have nicknamed the "Lower Income For Tomorrow" program. The farmers oppose LIFT for precisely the same reasons as they will oppose this piece of government legislative initiative to set up a National Farm Products Marketing Council as it becomes understood and filters down to the grass roots of the farm economy.

• (9:40 p.m.)

The government has failed to deal with the fundamental problem in respect of agriculture. This is a marketing and sales problem rather than a supply management problem. I do not know why the Minister of Agriculture, who is a westerner and a farmer, has embraced this dogma. It has become such a well established pattern that I think we can refer to it only as a dogma or an automatic conditioned response whereby the solution to any problem on the agricultural front is to cut down on the supply. That is what the LIFT program is all about and it is what this measure is all about.

Instead of bringing forward this and other measures, the minister should take a more positive position and deal with the question of marketing the farm commodity. I am sure it is fair criticism to say that the government has decided that the number of farmers employed in the agricultural industry must be reduced by government action. The government says that the farm economy can no longer sustain the number of producers in the industry, and therefore is deliberately by its policy initiatives aggravating rather than solving the problem of the rural-urban drift which has been going on apace in the North American continent, if not in the world, during the past two or three decades.

By its policy the government is merely shifting the major problem from one sector of the economy to another, because the only possible alternative employment for farmers who have been displaced due to the decline of the agricultural industries is in the big, booming, buzzing urban communities which already have reached such a size that in many respects they have become quite

unmanageable. I believe it is already quite clear that the problems of our urban communities are even more pressing than the economic problems of our rural communities. This government has not even started to think in terms of solving the problems in respect of the rapid urban growth. Indeed, the housing situation is in a state of confusion. We are told there are 18,000 people in the city of Toronto alone waiting for adequate public housing. We know that urban renewal has not entered into the government's program or planning at all. A Minister without Portfolio has been appointed to deal with this particular situation. As yet, however, no solutions have been forthcoming.

We know the situation concerning one leading minister of this government, the hon. member for Trinity (Mr. Hellyer), who with great, crusading zeal set out to solve one arm of our economic problem. He gave up in disgust because he could not get any action from the administration. I would think that rather than bring in this type of negative approach to the rural side of Canada's economic difficulty, the government would be much better advised to use the time at its disposal to deal with solutions concerning the other side of the coin, the urban situation which is in such a critical state that it will become much worse before there is any improvement.

In returning specifically to the principle of this bill, may I say that it is just a few years since we were concerned with the problem of the world food supply. Agriculture is the basic arm in the matter of food supply. We sent representatives abroad to participate in FAO conferences. This organization was the leader in respect of positive programs to establish food banks to feed the hungry of the world. We emphasized that the Canadian agricultural economy had all the production potential necessary to meet the growing demand for food in the world, so long as we could on a basis of international co-operation work out suitable marketing policies.

There was progress in this regard until this administration took over. I do not know why it has suddenly departed from this international outreach in assisting the world which is obviously short of food. We know that three-quarters of the people of the world are undernourished. Surely the real demand for food is not being met by any nation. One might ask why at this critical juncture in international affairs the government of Canada should retreat behind a negative supply management system with relation to agricultural production. This is beyond my understanding and it is beyond the understanding of the farmers.

This is one theme the farmers repeat over and over when they discuss the critical problems they face. Why does the Minister of Agriculture, a westerner, not use his influence in emphasizing marketing and international co-operation, rather than restricting production which will inevitably lead to a further integration of our agricultural industry? I know the administration is committed to a continental policy. In its international relations, politically and militarily, it is withdrawing behind the continental frontier. It could be, of course, that the same philosophy in respect of agriculture is motivating its action in this regard.

Surely all members of the cabinet, particularly the Minister of Agriculture, do not subscribe to this sort of nineteenth century, narrow nationalism. Surely the minister could use his influence to persuade his colleagues who are continental isolationists to move out into the mainstream of twentieth century life and become tuned into the needs of the word as they exist. If the minister does not agree with the approach of the government, he has an alternative, as had the former minister responsible for housing. He could resign and express his protest over the present trends in government policy.

• (9:50 p.m.)

Those who defend Bill C-197 say that it is a response to the wishes of the farmers for a more orderly production and marketing system. I have been reading the comments that have already emanated from farm organizations such as the Canadian Federation of Agriculture and the National Farmers Union, and I find they do not express the sort of sympathy and general support for the legislation that the minister in his opening statement earlier in the month indicated was present.

The minister, speaking in Alberta on March 24 of this year, obviously ran into the same negative response with which he was confronted when in Brandon a week ago last Tuesday because of the failure of the government and the minister to consult the farm organizations. At that meeting, according to press reports, he promised that there would be consultation in detail. He also stated, as he as stated in the House, that the legislation is merely enabling legislation, it merely sets up

the machinery and once the machinery is set in place it will be up to the farmers themselves to determine whether they want to make use of the machinery provided by government policy and government planning.

As I read the bill—whether this is deliberate, I do not know—it seems to me it is certainly a misrepresentation of the powers that are set down in the bill to control rigidly and coercively the whole agricultural industry at the production level, because it seems to me that the cabinet has complete monopoly power. The minister and those who defend the bill talk about public hearings where the *vox populae* will be able to express itself. But this is optional, it is not mandatory; and judging from our experience in other areas of government action and policy it will be the exception rather than the rule for the government to consult, in the intimate terms that it professes in the statements of the minister, with the agricultural producers.

There is nothing in the legislation, as I see it, which indicates that after the consultations, the recommendations which will be forthcoming will be followed by the government. I know that the government's attitude has been to completely ignore public opinion because it follows the philosophy—this goes back to the pursuit of power that has been characteristic in most areas of government action under the Trudeau administration—of going completely against the wishes of the public with respect to public action and policy.

Some hon. Members: Hear, hear!

Mr. Dinsdale: The minister also makes the point that in this legislation he is attempting to follow the precedent of provincial marketing boards that are already established. As I read some of the background papers that were presented to the Agricultural Congress, which will result in a task force report which has been pending for several years, the warnings with respect to marketing boards were diametrically opposed to the sort of solution proposed in this bill. For example, one of the papers said that to provide the marketing boards with powers on the scale proposed in the legislation would be to provide the "ultimate weapon" in supply management control.

This is not the positive program of agricultural adjustment to be implemented without authoritarian police and procedures such as was requested, for example, by the Canadian Federation of Agriculture in its representations to the cabinet as recently as April 9. To compare it with the sort of producer-controlled marketing board at the provincial level is, of course, a deliberate misrepresentation of the situation. Rather than being patterned on that precedent, the federal plan erodes the constitutional rights of the province in agricultural marketing. For example, they will be able to levy special charges or make special levies, which is a sort of arbitrary, delegated, indirect system of taxation.

My time has almost expired. Rather than go into another aspect of my argument, may I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

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

TRADE—GRAIN—SUGGESTED PERMANENT FOREIGN SALES MISSIONS

Mr. John L. Skoberg (Moose Jaw): Perhaps the Minister of Agriculture (Mr. Olson) has had enough punishment for today, but since he is in such a genial mood I hope he will take my comments into consideration.

On March 13 I asked the minister whether, in view of the statement of the secretary general of the Canada Grains Council, we should have permanent foreign marketing missions to promote grain sales, if Canada is to retain markets and gain new markets, and if the minister could tell the House whether the government was considering the establishment of such foreign marketing missions.

The minister suggested at that time that the Canada Grain Council was really set up to consider this type of selling mission. In a supplementary question I asked if the minister could indicate whether the government was considering setting up such missions throughout the world. Again he suggested that he had received no direct communication from the secretary general of the Grain Council and that all he knew was what he had read in the newspapers.

The reason I raised this question was that many people throughout this country are condemning the Canadian Wheat Board. They are suggesting there should be selling agencies other than the Canadian Wheat Board. I then placed on the Order Paper a question which related very clearly to the question I asked on Orders of the Day, asking how many brokerage firms are now handling Canadian grain sales.

To my amazement I found that 43 eastern and western exporting firms are acting as agents of the Canadian Wheat Board and handling Canadian grain sales abroad. I suggest that if these exporting firms are acting as Canadian agents, and at the same time as agents for other countries, Canadian producers can expect no consideration in so far as the handling of Canadian grain is concerned.

• (10:00 p.m.)

There are some supposedly responsible people—we have them in Saskatchewan—who deliberately attack the Canadian Wheat Board for not doing a proper job. Does the minister not think that if we set up permanent Canadian missions abroad to sell our agricultural products, under the control of the Canadian Wheat Board, giving that board the tools to do the job, instead of letting these 43 eastern and western exporting and shipping firms handle our produce, we would have better selling machinery?

We know that certain private entrepreneurs would love to see the Canadian Wheat Board broken. We know that certain stockbrokers would like to see the Canadian Wheat Board broken. At the same time we know that the Canadian people, particularly those engaged in the agricultural industry, would like to see selling missions permanently established throughout the world to sell our produce. Such selling missions would look after the sale of Canadian produce alone; they would not attempt to handle everybody's produce at the same time.

I am given to understand that some of these 43 exporting firms also have interests in shipping firms. No one has to draw a map to realize that if they have interests in shipping firms, and at the same time are trying to sell agricultural produce, they will try to sell that produce from the country in which their ships are located at any given time. It is important that we look into this situation now. If we are to have credible grain selling Canadian missions, we must establish them under the jurisdiction of the Canadian Wheat Board. This is something Canada must decide today, not tomorrow. We cannot wait for the Canada Grains Council or any other board to carry out a further examination.

I am pleased to note that the Alberta Wheat Pool has come up with an excellent suggestion, one which I wish to read into the record. In a statement dated April 16, 1970, it says:

> While existing agencies have achieved commendable results in selling its products, Canadian agriculture is ready for a yet more aggressive marketing attitude on the part of all those responsible for handling and selling its products. Techniques now being used by competing nations, and marketing procedures not now in effect must be explored and developed if Canada is to maintain any success in the world's agricultural marketplace.

Through you, Mr. Speaker, I say to the minister that unless Canada establishes permanent selling missions throughout the world, our agricultural economy is due for a complete bust. We simply cannot have 43 exporting and shipping firms trying to handle our produce. Unless the government realizes this, it will stand accused forever and a day. Our producers know what is going on. They do not really expect these 43 exporting firms to handle their produce properly. I plead with the minister to give serious consideration to the suggestion that we establish these permanent marketing agencies throughout the world, otherwise our agricultural economy will suffer complete collapse in the very near future.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, when the hon. member asked this question a few days ago, part of the question, as I then understood it, was with respect to the response we had given to the Canadian Grains Council in respect of its declared purpose in promoting sales of Canadian grain in the international market. It seems to me there are a lot of contradictions in the hon. member's assertions respecting the best interests of the producer in selling the largest volume of grain on the international market. It certainly does not seem to me that we would enchance our position by withdrawing our offer to sell to all the international agencies because that, in my opinion, is certainly not in conflict with the sales promotions that the Canadian Wheat Board has carried on so effectively over the years. Certainly we are the first to admit that they have the same difficulties as every other country when we run into a situation such as the present one where supplies are excessive in relation to the immediate market demand.

I believe there are some encouraging signs, however, and I would not agree with the hon. member that it would enhance our situation, or the position of the Canadian Wheat Board, to stop selling through all the international agencies who would be willing to take large or small quantities from time to time. It seems to me that they can be complementary. Some action is being taken by XCAN, a collaboration among the various wheat pools and producer organizations in western Canada, in

their attempt to establish an export marketing agency. As I have said many times, I welcome this. But I know, and so do they, that they will have to meet the competitive position in the world market, which includes arrangements for shipping so that they are competitive on that basis as well. This is a very important part of delivering grain, arranging for shipping from the export point to the delivery point at the lowest possible cost. My friend knows how important it is to arrange for shipping in advance in order to obtain the service at competitive cost.

I do not have time to go into detail, Mr. Speaker, but I reject the hon. members accusations that we are trying to break the Canadian Wheat Board. In my view, the function of the Canadian Wheat Board and other agencies is to continually and constantly promote sales in the markets we have.

Mr. Deputy Speaker: Order, please. I regret to interrupt the Minister, but his time has expired.

ROYAL CANADIAN MOUNTED POLICE—CONSIDERATION OF PAYMENT FOR OVERTIME

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I rise to speak on behalf of 12,000 Canadians, 9,800 who are regular members and the remainder public service and other supporting staff for the finest police force in the world, the Royal Canadian Mounted Police. We have often seen municipal police forces in different parts of Canada engaged in activities such as policing ball games and that sort of thing. It may be of interest to know that the Royal Canadian Mounted Police do municipal police work in 145 municipalities across Canada. For this work they receive no overtime pay. It is overtime pay that brings the illustrious Solicitor General (Mr. McIlraith) and myself into confrontation this evening. The commissioner of the Royal Canadian Mounted Police, W. L. Higgitt, put it this way at page 7 of No. 16 of the Minutes of the Standing Committee on Justice and Legal Affairs:

We are one of the last police organizations in Canada—I hope it can remain that way, but I do not see how it can for much longer—certainly of any major size, at least, that does not have overtime compensation. We simply do not have compensation for overtime and last year we put in an equivalent of 2,068 man years of overtime or something over 3.75 million hours of overtime for which there is no compensation at all.

At page 10 he said:

I think we are the only police organization in Canada where management is still speaking for the men. I think we always have been successful in getting a pretty good deal for our members, and so long as that exists I do not foresee that this system needs change.

Prior to this pay increase—

He was speaking of the last pay increase of the RCMP.

—from a pay point of view we were about 17th in the scale of police pay in Canada. I am basing that on the pay of a first-class constable. This pay increase brought us up to where we are tied at this moment for second place, which is not a very unhealthy place to be. However, it is a little unrealistic for me to say this because you will recall that I just said we put in last year something in excess of 2,000 man-years of overtime, for which there is no pay at all. When I say that we are tied for second place, that is only in basic pay—

You see what I mean, Mr. Speaker.

• (10:10 p.m.)

—because every other police force in Canada gets fairly handsome overtime allowances and payments which we do not enjoy at all. So while I say we are tied, that is only in a basic pay way. If it was really take-home pay and we actually could examine the take-home pay of the various constables, we probably would find that we had dropped down considerably from the second position.

When I asked the witness at page 16:13 a question about the overtime problem, he answered in part:

—we are still nowhere near the top pay across the land if we take overtime pay of other forces into account. We are not, at this moment, pushing an overtime case. If I could answer it that way.

Finally, at page 16:14 of the Minutes of Evidence there is a reference to a 4 per cent attrition rate in the force. I wondered whether that related to lack of overtime pay or not. I then asked this question:

I am just wondering, Mr. Chairman, how the commissioner proposes to solve this overtime problem. If he is not asking for 20 per cent more men and he is not vigorously pursuing a question of overtime payments, where is the solution?

I should say here, parenthetically, that I estimated that the men worked more than 16 per cent of their time as overtime, and Commissioner Higgitt calculated that the overtime work amounted to something like 20 per cent of their time. So that is one answer to the question I have put on record. Answering the question I asked of him on page 16:14, Commissioner Higgitt said:

There are two answers to that. One is that I am sure that we are not going to have to pursue this overtime matter before too long as a separate item. However, I should like to be able to think that we can take cognizance of this in our general pay packages each time. If our men can see that

we in management are doing a pretty good job for them in general pay negotiations I think they will be reasonably content to carry on.

I think, sir, it is fair to say from the evidence that was given by Commissioner Higgitt, a truly excellent witness before the committee, that there was a sort of split in this respect. He would like to have seen things go on as they had been going on, but on the other hand he could not see that they could go on this way. That perhaps sounds like Alice in Wonderland talk, and I think that is exactly the position our witness found himself in. So the other day in the House of Commons I dared to raise this matter with the Solicitor General.

I cannot say I was dissatisfied with his answer, because I know that when someone schooled at the feet of the late Right Hon. W. L. Mackenzie King gives you any kind of answer, you must be prepared to accept it. None the less, I thought I would press our dear friend, the Solicitor General, to come here this evening and answer the question further. I will boil it down to this, Mr. Speaker, and this is my question to the Solicitor General: Would the government welcome the recommendation from the Standing Committee on Justice and Legal Affairs that the matter of overtime pay for members of the Royal Canadian Mounted Police be considered by the government?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Answer in the affirmative.

An hon. Member: Agreed.

Mr. Bell: Now get out of that one.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, there are two rather interesting questions raised by the hon. member tonight. One is the procedural question emphasized by the new question he raised at the conclusion of his remarks, and the other is the substantive question of overtime pay for members of the Royal Canadian Mounted Police.

The first question is a purely procedural one and is rather interesting. He apparently is asserting the proposition that this motion to adjourn, and the right to debate it, can be used for a discussion of current matters while proceedings on those matters are before the standing committees of the House of Commons. This matter is before a standing committee of the House of Commons, the Standing Commitee on Justice and Legal Affairs which is examining the estimates of the department. In that examination a question has been raised and an answer given.

When the hon. member raised the question the other day, despite his remarks about my reply I would point out to him that, as I said, when the committee completes its work and reports back to the House, the government will consider all the matters that have come before it. That is the exact position. But I would point out to hon. members that they are making a new departure tonight in permitting this matter to be debated at this time, because now items in respect of all matters currently before standing committees of the House may be debated here concurrently.

As to the substantive question, which is a matter of real importance, the situation is that the RCMP, in addition to their specialized duties with regard to federal statutes, police eight of the ten provinces, and the two territories. A large part of the work is done in a vast area with a small population. This means that many detachments are small with regard to the number of personnel. In some places there are only two men. I invite hon. members to consider the question of overtime in parts of the Northwest Territories. There is every indication that the men do not want this problem handled, as the hon. member pointed out, by way of overtime pay. The point is, how to deal with the extra requirements put on them. It is unrealistic to blandly assume in relation to a force covering so much of the area—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the minister, but his time has expired.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, April 28, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

HOUSE OF COMMONS

HOURS OF SITTING, THURSDAY, APRIL 30, 1970

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, hon. members will have noticed the motion in my name on page 7 of today's Order Paper. There have been certain discussions among representatives of the parties along the line that it would assist in planning Thursday's business if that motion could be dealt with by the House now. Could there be agreement to bring the motion forward at this time and, if the House is agreeable, make it an order of the House?

Mr. Baldwin: Mr. Speaker, that is one of the few motions in the name of the hon. gentleman that we can say we agree with.

Mr. Knowles (Winnipeg North Centre): Believe it or not, Mr. Speaker, we are unanimous.

Mr. Macdonald (Rosedale) moved:

That on Thursday, April 30, 1970, immediately after the disposition of the Oral Question Period, the House shall stand adjourned until 11.00 o'clock a.m., Friday, May 1, 1970.

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

Some hon. Members: Agreed.

Motion agreed to.

ORAL QUESTION PERIOD

POST OFFICE

POSSIBLE NATIONAL STRIKE BY LETTER CARRIERS AND INSIDE WORKERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Acting Postmaster General. Am I correct in assuming that is the President of the Treasury Board?

Mr. Trudeau: Yes.

Mr. Stanfield: In view of the apparent or at least reported failure of the Post Office to come to terms with both the letter carriers and the inside workers on a new contract to replace the one that expired on September 30, can the minister state briefly to the House what positive steps he is now taking to avoid a national postal strike which is reported to be imminent? I ask this question at this time in view of the great concern that has surrounded and continues to surround the operations of the Post Office.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I share the concern of the Leader of the Opposition in the difficult negotiations we are having with the Council of Postal Unions. I think he is probably aware that these negotiations have passed from the direct bargaining stage to the appointment and the functioning of a conciliation board to endeavour to find a solution to the dispute. The conciliation board is now at work and is expected to report shortly. Until such time as it does render its report, I think it would be inadvisable for me to make any comments.

Mr. Stanfield: It is also reported that the minister responsible for the Post Office has refused to renew the working conditions that were incorporated in the last agreement. Is it correct that the Postmaster General or his officials are denying the postal workers assurances with regard to the working conditions that were incorporated in the last agreement?

Mr. Drury: As I indicated, representations by both sides to the dispute are being made to the conciliation board, and I do not think it would be helpful to analyse publicly the respective positions being taken before the board.

Mr. Stanfield: I have one further supplementary question, Mr. Speaker. I think the time has gone by, if I may suggest, when the country can merely be given bland assurances about what may happen to the postal service, and I wish to ask whether the minister can assure the House that this matter will not be treated with the same sort of approach that resulted in a serious strike in 1968 and a postal tie-up in Montreal which still denies

Montrealers and other Canadians adequate postal services despite the intervention of a good many ministers of the Crown?

Mr. Drury: Perhaps I should only say that even if hon. gentlemen opposite do not have faith in our conciliation machinery, I do.

[*Later:*]

Mr. David Orlikow (Winnipeg North): I should like to ask the President of the Treasury Board whether he could, without divulging any of the details of the government's position in the current negotiations, tell the House if there is any hope that the government's attitude in regard to the working conditions of postal employees will be somewhat easier than it was a year ago when the minister's insistence on the unilateral imposition of rule changes led to a strike?

Mr. Drury: I think the Postmaster General himself has indicated on a number of occasions that he is interested in improving substantially the working conditions of Post Office employees. Indeed, during the course of this year he has directed considerable efforts to this end and in these efforts he is supported by the government.

MONTREAL POSTAL DISPUTE—FURTHER DISCUSSIONS WITH UNION

Mr. Heath Macquarrie (Hillsborough): I have a question for the President of the Treasury Board, Mr. Speaker. Has the President of the Treasury Board had any recent discussions with representatives of the CNTU with reference to the continuing Montreal troubles, and is he able to point to any amelioration of this serious situation?

Hon. C. M. Drury (President of the Treasury Board): Yes, Mr. Speaker. I had a meeting a short time ago with the president of the CNTU at which he indicated the intention of the members of the union in question to persist in their stand and asked me whether there was a likelihood of any modification of the position of the government in adopting and implementing the report of Dr. Goldberg. I told him that unless he had some better suggestions than had occurred to me, I did not see any prospect of the government changing its course.

Mr. Baldwin: What else is new?

Mr. Macquarrie: May I ask the right hon. Prime Minister whether, as this is the third week that the Postmaster General has not been on roster duty, the minister has left the country or, even worse, left the cabinet and, if so, who is his replacement?

[*Later:*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister regarding the Post Office. Would he confirm that Mr. Carl Goldenberg is at present warming up on the sidelines and is expected to take the field in a government uniform at any time?

Mr. Speaker: Order, please. The hon. member knows that he cannot ask the Prime Minister to confirm or deny a rumour.

GRAIN

WHEAT—SUGGESTED WITHDRAWAL OR ALTERATION OF ACREAGE REDUCTION PROGRAM

Mr. Doug Rowland (Selkirk): In view of the fact that the Minister without Portfolio responsible for the Wheat Board is absent, I should like to direct this question to the Minister of Agriculture. In light of the likely fate of operation LIFT, will the minister give an undertaking to the House that he will immediately initiate negotiations with the representatives of bona fide farmers' groups for the purpose of substantially altering or totally abandoning the program?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I cannot agree with the premise upon which that question is based and therefore I cannot reply.

Mr. Rowland: A supplementary question, Mr. Speaker. Will the minister then give an undertaking to the House that he will rapidly develop a program of assistance for areas like Manitoba's Interlake region for which operation LIFT has absolutely no application?

Mr. Olson: Mr. Speaker, there already are a number of federal programs particularly applicable to that region. However, they are not administered by this department. So far as operation LIFT is concerned and the complexities of dealing with such a program, again I cannot agree that there are no provisions that will enhance the situation for grain producers in that area if operation LIFT is, in fact, successful.

Mr. G. W. Baldwin (Peace River): A supplementary question Mr. Speaker. Would the minister not at least take this under advisement with his department, having in mind

that the usual gestation period for ideas to help western Canada with this government is at least two years?

Mr. Olson: Mr. Speaker, there are a number of considerations to be taken into account. One is in response to the request of farmers from western Canada, and indeed occasionally from members across the way, that we should finalize the regulations and administrative details with respect to operation LIFT so that farmers can make plans dependent upon those regulations.

Mr. Baldwin: On a point of order, Mr. Speaker, no farmers in the opposition have requested the continuation of this program.

Mr. Hees: A supplementary, Mr. Speaker, regarding the Post Office.

Mr. Speaker: Order. The hon. member for Yorkton-Melville has a supplementary to this question.

WHEAT—ACREAGE REDUCTION PROGRAM—REINSTATEMENT OF UNIT QUOTA SYSTEM

Mr. Lorne Nystrom (Yorkton-Melville): In view of the difficulties facing many small farmers in regard to operation LIFT, will the government give consideration to reinstating the unit quota system?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not responsible for that particular aspect but the Minister without Portfolio from Saskatoon-Humboldt has given many explanations of the reasons for removing the quota system and I believe the reasons are still valid.

INDUSTRY

TEXTILES AND SYNTHETIC FIBRES—PROTECTION AGAINST UNFAIR COMPETITION

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. When will the minister be making a statement which will result in action to protect the textile and synthetic fibre industries of Canada from unfair dumping and unreasonable competition from Oriental countries?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, last week I said "soon"; today I will say "in the near future".

[*Later:*]

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce. Since the Premier of Saskatchewan has entered the Quebec election campaign by his recent announcement that Quebec entrepreneurs have been making inquiries in Saskatchewan, can the minister state whether his department has been inundated by requests from Quebec-based firms to locate in Saskatchewan?

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

[*Translation*]

FINANCE

FEDERAL TAXES AND PAYMENTS TO QUEBEC —PUBLICATION OF FIGURES

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Prime Minister.

On television last night, we heard a serious charge made by the leader of the National Union to the effect that a certain propaganda sheet distributed in Quebec has apparently been paid for directly from federal public funds. Would the Prime Minister confirm or deny this news?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I had the opportunity of commenting on a similar charge made by the leader of the National Union and I replied that the publication "What's New" had no connection whatsoever with the federal government and that it had been issued by the Quebec branch of the Liberal Federation of Canada.

[*English*]

TARIFF ADJUSTMENTS TO OFFSET FOREIGN COMPETITION WITH CERTAIN INDUSTRIES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Finance. Will the government give serious reconsideration to its tariff policies applying to the importation of footwear, textiles and electrical goods, particularly those which come from Japan, Taiwan, Hong Kong and other low wage countries whose wages make it impossible for Canadian industries to compete and are thus causing very serious lay-offs by these industries?

Hon. E. J. Benson (Minister of Finance): Well, Mr. Speaker, if my hon. friend would spend more time in the House he would find

that we have stated that these matters are under review. In addition, just about two and a half minutes ago the Minister of Industry, Trade and Commerce indicated that he would be making a statement very soon on this matter.

Mr. Hees: I rise on a question of privilege, Mr. Speaker. I will bet any amount of money that I have spent twice as much time in the House this session as the minister has.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

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

Mr. Baldwin: You should issue a white paper on that one, Ben.

Mr. Speaker: Order, please. I will recognize the hon. member for the purpose of asking a supplementary question.

Mr. Benson: Mr. Speaker, on a question of privilege—

Mr. Speaker: Order. All bets are off.

Some hon. Members: Hear, hear!

Mr. Hees: Mr. Speaker, my supplementary question is: As it is the Department of Finance that controls tariff policies, and as the minister has said that he is not interested in these matters, would he mind telling the House where he buys his blinkers with which he keeps out any views that are not acceptable?

Mr. Speaker: Order, please. I would not think that question is acceptable from a procedural standpoint.

Mr. Hees: Sit down, Ben! Take it easy! You are getting high blood pressure. Relax!

Mr. Speaker: Order.

[Later:]

Mr. Barney Danson (York North): I have a supplementary question for the Minister of Finance. Could the minister tell us if the blinkers referred to earlier are worn on the end of the horse personified by the member for Prince Edward-Hastings?

Mr. Hees: Oh, go back to grade 3!

LABOUR CONDITIONS

REASON FOR QUEBEC UNEMPLOYMENT RATE

Mr. Paul Yewchuk (Athabasca): I have a question for the Prime Minister. In view of statements made by the Premier of Quebec concerning the employment situation in Quebec, is the Prime Minister still insisting that the unemployment rate in Quebec is the result of provincial policy rather than his own anti-inflation policy?

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

POLLUTION

EFFECT OF MERCURIAL DUST USED IN TREATING SEED GRAIN

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I direct a question to the Minister of Agriculture. Can the minister say what, if any, has been the role of mercurial dust used in the treating of seed grain in western Canada in contributing to the mercury content of western rivers and lakes?

Mr. Speaker: Order, please. It seems to me that this type of information ought normally to be given by way of a general statement. I am not sure whether the minister can find some way to reply to the question briefly. Perhaps he might be given an opportunity to attempt that.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, very briefly, the experts who are examining the situation have not been able to determine this, yet. It seems to me that more time is required so that we can obtain a consensus on whether or not this is a major contributing factor.

TAXATION

WHITE PAPER ON REFORM—POSITION OF PROPOSALS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether the proposals contained in the white paper on tax reform still stand as the proposals of the government for the consideration of the country?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would simply like to say yes. In further answer to the hon. member for Prince Edward-Hastings—

Mr. Hees: Wind it up, Ben. You have not got the picture.

Mr. Speaker: Order, please.

Mr. Benson: —I apologize for suggesting that he was not in the House. He may have been

in the House but just could not understand what was going on.

Mr. Hees: Wind it up, Ben.

Mr. Stanfield: Mr. Speaker, may I ask a supplementary question following the minister's red herring?

Some hon. Members: Oh, oh!

Mr. Stanfield: I should like to ask the minister why, following the several months of debate and discussion in the country of the white paper proposals, the government has not seen fit to change even one of those proposals?

Mr. Benson: Mr. Speaker, the position is that the white paper is before the House of Commons Committee and the Senate Committee. I believe in the committees of the House of Commons and the Senate, and I wish my hon. friend would, too.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Muir (Cape Breton-The Sydneys): The minister can say that because there is a Liberal majority on the committees.

Mr. Speaker: Order, please. I will recognize the Leader of the Opposition in a moment. Will the hon. member kindly resume his seat? It seems to me that we are now entering into a debate and I respectfully suggest there is not much point in pursuing this line of questioning.

Mr. Muir (Cape Breton-The Sydneys): Let us hear what the minister has to say.

Mr. Speaker: I understand the Leader of the Opposition has a supplementary. I will recognize him.

Mr. Stanfield: Mr. Speaker, I understand that the minister has great respect for Parliament and the committee system when it suits his convenience but really, since many thousands of people in the country are giving serious study to these proposals, would it not be proper for the minister to indicate to the country at large what changes, if any, the minister has decided upon following the discussions that have already taken place?

Mr. Speaker: Order, please. I suggest to the Minister of Finance and to the Leader of the Opposition that if this kind of statement is to be made it should not be during the question period. It should be made by way of a statement on motions. I do not think the minister would be in order if he attempted to make that kind of statement.

POLLUTION

MERCURY CONTENT IN LAKE WINNIPEG AND SASKATCHEWAN RIVER FISH

Mr. Robert Simpson (Churchill): I have a question for the Minister of Fisheries and Forestry. In view of the orders which have been made curtailing commercial fishing in Lake Winnipeg and parts of the Saskatchewan River and in view of the fact that sports fishing is going to be permitted in this area, is the minister willing to make a full statement in the House with regard to the findings of his officials as to the mercury content in these fish with relation to human consumption?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, Mr. Speaker. We will soon be able to give an analysis of the situation. I met yesterday in Manitoba with the Hon. Sidney Green to discuss this subject. We expect to reach an understanding shortly.

LAKE WINNIPEG—COMPENSATION TO FISHERMEN—SOURCE OF CONTAMINATION

Mr. David Orlikow (Winnipeg North): In line with the answers the Minister of Fisheries gave last week, has he reached an agreement, about which he can now give some details, with regard to compensation to the fishermen of Lake Winnipeg and the other areas of Manitoba which have been affected by Mercury pollution?

Hon. Jack Davis (Minister of Fisheries and Forestry): We have an understanding with the government of Manitoba and jointly we will be negotiating with the fishermen to arrive at a formula, which I will wish to put to my colleagues concerning financial compensation on the Prairie.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the minister a supplementary question. When the minister makes his statement on this matter, will he also report to the House the results of any discussions that have gone on with the authorities in the United States concerning the source of the mercury pollution of the Red River and Lake Winnipeg?

Mr. Davis: Yes, Mr. Speaker.

Inquiries of the Ministry

SASKATCHEWAN RIVER—NEGOTIATIONS WITH INDUSTRY RESPONSIBLE FOR MERCURY CONTAMINATION

Mr. Robert Simpson (Churchill): Will the minister also be prepared to report to the House on negotiations with the industry the minister has said is responsible for the mercury pollution in the Saskatchewan River?

Hon. Jack Davis (Minister of Fisheries and Forestry): We are meeting with the industries which are responsible for the pollution with a view not only to making sure that they recycle all their effluent within their own premises but also clean up the rivers downstream and from plants themselves.

INDUSTRY

U.S.-CANADA AUTOMOBILE PACT—REQUEST FOR STATEMENT ON POSITION OF NEGOTIATIONS

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Minister of Industry, Trade and Commerce. Will the minister be able to make a statement to the House before the end of this week on the state of negotiations between the governments of Canada and the United States on the Canada-United States auto pact?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I do not think so, Mr. Speaker, but I will speak to the hon. member on the subject.

Mr. Broadbent: A supplementary question. Can the minister inform the House whether the cabinet has made a decision on the extension of the period for which auto workers may obtain TAB benefits?

Mr. Pepin: No decision has been made on that subject.

REDUCTION OF PRICES OF AUTOMOBILES MADE IN CANADA

Mr. A. D. Hales (Wellington): In view of the great amount of unemployment in the car industry and the low sales of cars, has the minister or any member of his department recently contacted the car manufacturers suggesting that the prices of cars made in Canada be brought in line with the prices of the same cars sold in the United States?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, "unemployment" might have been replaced by "layoffs" in the question. No, Mr. Speaker, we have not done that. In consultation with the presidents of these companies it has been rather well established, however, that the gap has been declining progressively in recent years and that it might not be wise to expect that the gap will be eliminated totally in the future in view of the different circumstances in the two countries. I do not have the time to go into the differences.

OIL

APPLICATION FOR BUILDING OF PIPELINE FROM PRUDHOE BAY TO EDMONTON

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Prime Minister, Mr. Speaker. Has the federal government received an application from a consortium of oil companies to construct a pipeline for the carriage of Prudhoe Bay oil through the Mackenzie Basin to Edmonton?

Right Hon. P. E. Trudeau (Prime Minister): Not to my knowledge, Mr. Speaker, but I will check with the Minister of Energy, Mines and Resources.

An hon. Member: He is here now.

Mr. Aiken: Perhaps I might address the question to the Minister of Energy, Mines and Resources. It had been my intention to direct it to the Minister of Indian Affairs and Northern Development but I would appreciate a reply from the Minister of Energy, Mines and Resources if he heard the question.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I believe the hon. member asked whether there had been an application in connection with the building of a line. Such an application would go to the National Energy Board, and to the best of my knowledge none has yet been filed.

[*Later:*]

Mr. Aiken: In his reply to the question I asked a few moments ago the minister said an application had not yet been made with regard to the oil pipeline I mentioned. Is the minister aware of any negotiations which may be under way in connection with the construction of such a pipeline?

Mr. Greene: I do not know about negotiations, but research is being done by the Mackenzie river pipeline group with respect to oil pipelines and by Trans-Canada Pipe Lines and other pipeline companies with respect to gas pipelines. I do not believe any

of these research groups has yet reached the stage of finalizing their arrangements and making an application to the National Energy Board.

IMMIGRATION

ENTRY INTO CANADA OF STOKELY CARMICHAEL

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Manpower and Immigration, Mr. Speaker. In view of the long record of Mr. Stokely Carmichael as a promoter of violence and race hatred, was a special permit issued to enable Mr. Stokely Carmichael to enter Canada in the last few days?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I would have to check. I have no information that he has come to Canada but it may be possible that he has been admitted under existing policy.

Hon. W. G. Dinsdale (Brandon-Souris): When the minister is investigating the matter would he also inquire whether the purpose of Mr. Carmichael's visit is to take part in the Quebec election?

ENERGY

REQUEST FOR STATEMENT ON CANADA'S POLICY VIS-À-VIS UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): My question is for the Minister of Energy, Mines and Resources. It arises out of a comment he made recently in the city of Washington, D.C., indicating that Canada-United States discussions would begin fairly soon at an official level in the hope that there might be discussions at cabinet level in June. I want to ask the minister whether, prior to those discussions, he would be prepared to make a statement on motions setting out Canada's energy policy vis-à-vis the United States?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I believe Canada's energy policy is very clear. It has not been altered for some years. If the hon. gentleman wants references which would clearly indicate to him the statutory authority for Canada's energy policy I would be very glad to get them for him.

Mr. Baldwin: Send him your speeches.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since the minister said in Washington that the sale of water is not negotiable, I am sure the House would be interested to know what items are negotiable. Does the minister not consider that the making of a statement would clarify the position of the Canadian government and allay many fears which have arisen in the minds of the Canadian people?

Mr. Speaker: With respect, I suggest to the hon. member and to the minister that a statement of the kind proposed ought to be made on motions. I wonder whether that is the suggestion now being put forward by the hon. member for Nanaimo-Cowichan-The Islands?

Mr. Douglas (Nanaimo-Cowichan-The Islands): That is exactly what I was asking. I was asking the minister whether he would be prepared to make such a statement on motions before these negotiations begin.

Mr. Greene: I do not think a statement on motions could fully cover the wide ambit of Canada's energy policy as affected by numerous statutes which include the National Energy Board Act, the legislation covering the sale of natural gas, and a wide variety of other statutory and historical authorities, which in total sum up Canada's national energy policy. But I will be glad to consider the hon. member's suggestion. Maybe a speech of mine would enlighten him in this regard.

Mr. Hees: Anything but that.

BILL OF RIGHTS

ALLEGED VIOLATION IN REMOVAL OF CHAIRMAN OF ONTARIO LEGISLATURE COMMITTEE

Mr. Norman A. Cafik (Ontario): In the absence of the Minister of Justice my question is directed to the President of the Privy Council. Having in mind the action taken by the provincial government of Ontario to unseat Dr. Richard Potter from the health committee because of his criticisms of the government's policy, would the President of the Privy Council consider whether some action could be taken on the ground that his removal constitutes a violation of the terms of the Canadian Bill of Rights?

Some hon. Members: Oh, oh!

Hon. Donald S. Macdonald (President of the Privy Council): That merits serious study, Mr. Speaker.

Mr. Baldwin: Was that question directed to the President of the Privy Council because of his attitude toward the Auditor General?

Some hon. Members: Oh, oh!

Mr. Speaker: Order. I had some doubts as to the validity of the original question by the hon. member for Ontario.

[*Translation*]

AGRICULTURE

DAIRYING—REQUEST FOR MEETING OF MINISTER AND MILK PRODUCERS TO RECONSIDER POLICY

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of Agriculture.

I have here a copy of a resolution of the Union of Industrial Milk Producers of Joliette county that was sent to the Minister of Agriculture and in which they recommend that representatives of producers in Canada—I wonder why they added "and in Quebec"—should meet with the minister as soon as possible in order to discuss further the unfortunate dairy policy that is detrimental to Canadian dairy producers.

May I ask the minister if he will give an affirmative answer and give the assurance that the meeting will be held in the interest of milk producers?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Certainly we would welcome a meeting of this kind. I have to disagree with the premise contained in the question that some of these policies are affecting certain producers more than others. What I suggest is that we would welcome a meeting attended not only by the producers from that particular county but by representatives of producers from all over Quebec as well as by the responsible provincial authorities in order that we might work out these problems.

Some hon. Members: Hear, hear!

Hon. George Hees (Prince Edward-Hastings): Has the minister decided to give back the $10 million subsidy to milk producers which they need so badly and which the government so unjustifiably took away from them?

Mr. Speaker: Order.

[Mr. Macdonald (Rosedale).]

MANPOWER

HOURS OF WORK OF STUDENTS EMPLOYED BY FEDERAL DEPARTMENTS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, on April 23 I directed a question to the Minister of Manpower and Immigration. I asked whether he was aware that some students worked in excess of 80 hours per week for federal departments last year and whether this would still be the policy of federal departments this year. The minister said he would check into this situation and report back to the House. Is he now in a position to answer my question?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I have checked the information which the hon. member was good enough to provide but I have not yet had an opportunity to discuss the matter with the minister concerned. I shall do so as soon as he is in Ottawa.

NATIONAL DEFENCE

REPORTED PRESENCE OF FOREIGN SUBMARINES IN ARCTIC WATERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wish to address a question to the Minister of National Defence, Mr. Speaker. Can the minister assure us, in light of confirmation during the latter part of last week by the Commander, Maritime Command, of the presence of submarines in our Arctic waters—

An hon. Member: Whether they are causing pollution?

Mr. Forrestall: That is a good question, too—whether or not the presence of foreign submarines poses any danger or threat to our own activities in the north or to the country as a whole?

Hon. Léo Cadieux (Minister of National Defence): This is a difficult question. Generally we approach these questions in a prudent fashion. I have no particular information leading me to suspect the presence of enemy submarines in the Arctic.

An hon. Member: Are we at war, then?

Mr. Forrestall: Is the minister not aware of the public statements which have been made by Admiral O'Brien about the presence of foreign submarines in these waters? If he is not aware of them, perhaps in the interest of the country I should send him some files so that he will know what is going on.

Mr. Cadieux (Labelle): When we speak of files in a matter like this we may be exaggerating somewhat. I have not seen the statement of Admiral O'Brien but I am sure there must have been some qualifications in what he said.

RENTAL INCREASE FOR PERMANENT MARRIED QUARTERS

Hon. George Hees (Prince Edward-Hastings): I have a question, Mr. Speaker, for the Minister of National Defence. Has he protested very strongly to his colleague the President of the Treasury Board about the extremely unjust and unfair increase of $15 a month in the rent for married quarters on military bases across Canada? If so, what was the result?

Mr. Speaker: Order. It seems to me that that question was asked previously.

POLLUTION

REPORTED OIL SPILL OFF ALASKA

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of National Defence concerning a reported oil spill off Alaska which may affect Canadian waters and may be the result of a spill from a submarine. Is the minister aware of this oil spill, and are investigations under way to see whether it came from a submarine?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I have to confess that I am not aware of this, but obviously if such a spill did take place the appropriate department, which is the Department of Transport, would be investigating the matter, though the spill may not necessarily be in our waters. However, I will check on the report.

HOUSING

ALLOCATION OF $56 MILLION FOR CERTAIN PROJECTS—PUBLIC HOUSING GUIDELINES

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the minister in charge of housing and relates to the statement he made yesterday. Is the $56 million of the $200 million in experimental funds for housing going exclusively to private builders, or are other organizations such as co-ops, trade unions and churches included in this housing program?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, within the $56 million, if my memory serves me correctly, there are co-operative sponsors. So far as the whole $200 million is concerned, we would welcome proposals from all legitimate sponsoring groups as defined by the National Housing Act, which includes churches and the other organizations mentioned by the hon. member.

Mr. Gilbert: A supplementary question, Mr. Speaker. Can the minister tell the House whether he has completed negotiations with the provinces with regard to new public housing guidelines? If so, when will they take effect?

Mr. Andras: Mr. Speaker, we have not completed negotiations in the sense that each province has indicated in precise terms that it will follow the guidelines that we have suggested or, particularly, the exact date on which they will implement them, but from the initial reactions, as I said the other day, we have been encouraged to think that this matter will proceed smoothly and quickly.

USE OF PORTION OF EXPERIMENTAL FUND FOR URBAN RENEWAL

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question. In light of the fact that the $200 million was primarily to be used for experimental projects in connection with low-income housing, and in view of the fact that urban renewal affects low-income housing, is the minister contemplating using any of the $200 million for urban renewal projects this year?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the answer to that is no. I would say that urban renewal does affect low-income housing, but unfortunately in Canada to date it has affected it adversely.

Mr. Alexander: A further supplementary question. I understood the minister to say that urban renewal has affected certain areas adversely. I respectfully submit that there are some areas in this country that have now presented further urban renewal plans to the minister, particularly the city of Hamilton. Is the minister prepared to receive favourably an application from the city of Hamilton for $1,500,000?

Mr. Andras: Mr. Speaker, it is doubtful. I have discussed this matter with the mayor and a delegation from the city of Hamilton. However, we are examining their proposals and I will be communicating my decision to them very shortly.

Inquiries of the Ministry

FISHERIES

ATLANTIC SALMON—REVIEW OF CUTBACK IN NUMBER OF RIVER GUARDIANS

Mr. Jack Marshall (Humber-St. George's-Ste. Barbe): Mr. Speaker, my question is addressed to the Minister of Fisheries and Forestry. In addition to the positive action taken by the minister to conserve our stocks of Atlantic salmon, would the minister be prepared to review the cutback in the number of river guardians made last year on the basis of austerity measures and increase the number of wardens in order to afford better protection of our rivers?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we are reviewing that program at the present time.

ATLANTIC SALMON—PRESENTATION OF CANADIAN POSITION TO DANISH MINISTER

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. In view of the attitude taken by Denmark in regard to the harvesting of Atlantic salmon on the high seas and its recent threatened withdrawal from the North Atlantic Fisheries Commission, can the minister say whether he has approached the Danish Minister of Fisheries, Mr. Norrman, and made the Canadian position clear in regard to high-seas harvesting?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we have made our position relative to the harvesting of salmon on the high seas very clear to Denmark in the various meetings that have been held by the North Atlantic countries involved in ICNAF. As the hon. member knows, we will obviously have to follow this matter up, as other countries have done, through other channels.

Mr. Lundrigan: A supplementary question.

Mr. Speaker: Order. We are running short of time and the hon. member has asked one supplementary. I may return to him in a moment.

IMMIGRATION

TRANSFER FROM PENITENTIARY TO ANOTHER INSTITUTION OF MAN UNDER DEPORTATION ORDER AND NEEDING SPECIAL CARE

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Further to my question yesterday in regard to an inmate at the Prince Albert penitentiary being urgently in need of assistance at this time, could the Minister indicate to the House whether or not he has removed this man from the penitentiary and, if he has, to where has he been moved?

[Mr. Andras.]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, to my knowledge no action has been taken to remove this man from the penitentiary. As my hon. friend may know, he is the subject of a deportation order which will be effected just as soon as it is possible to arrange for the reception of this person in the United States. I am advised that the psychiatrist or the doctor in charge of the psychiatric ward at the penitentiary has advised that there seems to be no advantage, from the health point of view, in transferring this person from the psychiatric ward to the hospital at North Battleford.

Mr. Skoberg: A supplementary question, Mr. Speaker. In view of the fact that the presence of this inmate is well known to all inmates in the penitentiary, and in view of the fact that there is insufficient staff at the penitentiary to care for this individual, would the minister immediately remove this man to some other institution in Canada where he could receive proper care and be treated like a human being?

Mr. MacEachen: Mr. Speaker, on this point I prefer to take the advice of the doctors who are on the scene rather than the advice of my hon. friend.

POST OFFICE

MONTREAL—RETURN TO NORMAL SERVICE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a question for the Acting Postmaster General in the continuing absence of the Postmaster General, whom I miss profoundly. Can the minister tell us when he now expects mail delivery service in Montreal to return to normal? I ask this question particularly since I have received a letter sent first class mail from Montreal 15 days after it left that city.

Hon. C. M. Drury (Acting Postmaster General): Mr. Speaker, if the hon. gentleman would give me a copy of the envelope I would be glad to inquire why it went wrong.

Mr. Bell: Because it went through Westmount.

NATIONAL DEFENCE

PHASING OUT OF MEAFORD TANK RANGE—EFFECT ON CIVILIAN EMPLOYEES

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to address my question to the Minister of National Defence. Does his department have plans that would necessarily result in the dismissal of civilian employees at the Meaford tank range?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the fate of the Meaford Range is being considered now. As a matter of fact, I have just signed a letter to the hon. member to whom I want to talk about it. The usual procedures in the case of a closure would, of course, provide for six months' notice for the civilian employees concerned. We would also try to put in motion the procedure that we have developed over the years of co-operating with other departments of government in finding alternative employment.

Mr. Speaker: Orders of the day.

• (2:50 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—CREATION OF UNEMPLOYMENT BY ANTI-INFLATION POLICIES

Hon. Robert L. Stanfield (Leader of the Opposition) moved:

That this House condemns the government's arrogant acceptance of recession-level unemployment in slow-growth areas of Canada and cost-of-living hardships generally while dogmatically continuing discredited policies that have failed to put the national economy on a non-inflationary upward course.

He said: Mr. Speaker, it was recognized in the government white paper concerning inflation, tabled I think late in 1968, that the policies that had been pursued by the government to attain the objectives of stable prices and satisfactory employment had not worked. Following this, the Prices and Incomes Commission was established, and while the emphasis of the chairman of that commission has been pretty steadily upon the importance of pursuing the fight against inflation without creating excessive unemployment the government has gone on creating more. The policies of the government have been to cause the main burden to be carried by those Canadian citizens who are least able to protect themselves and are most subject to unemployment, such as the aged and those Canadians with low incomes who are still required to pay income tax.

I do not believe that we must ask the older people of this country to suffer a deterioration in the purchasing power of government pensions, particularly older people in need. Surely, we have not reached such a state of desperation in this country that we must limit the adjustment of guaranteed income supplements to a maximum of 2 per cent regardless of what change takes place in the cost of living during the year. We know that during the past four years our older people have fallen farther and farther behind the increase in the cost of living, and this is something that we cannot justify.

There is also the low income taxpayer with a shrinking real income, a shrinking purchasing power as a result of inflation, who faces a rise in the cost of living. Here again we have given him no relief but in effect have increased his taxes. This is inexcusable. I propose that we should be prepared this year to take off the income tax rolls those who are below the poverty line. Even if the government has to persuade itself that it cannot go that far, surely in the light of the inflation that has been going on something should be done. Surely there is no need to hold up this kind of relief until agreement can be reached on a total package of tax reform. So what we have had for the last couple of years at least, and indeed longer, is not an alleviation of poverty in the country but rather a deepening of poverty.

As a result of the policies of the government, we have excessive unemployment across the country. There is a very real question as to whether this unemployment is really attacking the sources of the inflationary psychology that exists. None of us has any doubt that, in time, we can defeat inflation by creating a recession of sufficient depth. As has been pointed out, we can do this, but at what price to the individuals who are suffering loss and what strain upon the fabric of this country? How far is this policy going to be pursued?

The Prime Minister (Mr. Trudeau) suggested the other day that the government was prepared to pursue this course until there has been an absolute elimination of all inflation in the country, something we have not seen in this country or indeed in any western country since the war. Surely, the Prime Minister

could not be serious when he made that statement. This is the third time in three months that the opposition parties have dedicated opposition days to matters related to the stubborn insistence of the government upon economic policies which are inappropriate and wrong. We have also devoted time to putting forward resolutions against the determination of the architects of the just society to put Canadians out of work.

There are, of course, other great issues in the country. There are other areas where the government is failing and deserves to be censured. But at the root of most of these other problems is the single fact that the government is so preoccupied with its own plans that it does not respond to the realities of the hardships in this country, and it gives the continuing impression that it does not care about them.

Under this government Ottawa has become a sort of separate principality, cut off from the real problems Canadians face and increasingly incapable of finding a solution to these problems. There is no better symbol of that detachment from reality than the cold and brutal insistence of this government on creating unemployment. If one needs a symbol of the differences between the parties in this House, that symbol is to be found in the stone-cold response of this government to the human problems of fear, misery and self-contempt that come with unemployment.

I suggest it would be instructive to have the Prime Minister trade places for a day with the hon. member for Gander-Twillingate (Mr. Lundrigan). Certainly, it would be refreshing for the country to be presided over, even for a day, by the hon. member for Gander-Twillingate. But the real test would be to see whether the Prime Minister, with the roles reversed, could remain so insensitive to the human side of unemployment if he had to answer for a day directly to the unemployed of Gander-Twillingate or to the unemployed of any other region where the hardship of this government's harsh policies is concentrated. Perhaps under those circumstances the Prime Minister could explain to them the importance of their contribution as "regrettable side effects" of high national policy. That is the latest euphemism. If you are out of work you are "a regrettable side effect".

Some hon. Members: Hear, hear.

Mr. Stanfield: According to the last DBS figures, we have now in Canada some 542,000 "regrettable side effects", and as usual unemployment is most acute in the areas least able to stand it, the areas of slow growth. Across the country there are more unemployed than a year ago, but the number of employed in Ontario, British Columbia and, by a small margin, in the Prairies, was a little higher than a year ago, although the number of unemployed was greater. However, in the Atlantic provinces for two successive months the number of employed has been actually less than a year ago. That is true in Quebec as well, at least according to the last report.

• (3:00 p.m.)

The only reason the unemployment figure is not substantially higher in the Atlantic provinces than a year ago as a result of the even lower number of people employed is that the work force, according to DBS, has shrunk, indicating that a large number of people in the Atlantic provinces has actually given up hope. They are no longer applying for work. No doubt the government will come up with some ingenious explanation of these figures, some way to show that they aren't really there, perhaps by a comparison with the unemployment situation in Bombay or Calcutta. Perhaps the government will try to play games with the unemployment figures, as the Prime Minister did the other day, using some seasonally adjusted manipulation with respect to October when he tried to show that the employment situation was better in the Atlantic provinces, and consequently that the government's anti-inflation policies could not be having the detrimental effect in areas of slow growth that members of the opposition had been saying they were having. It is this kind of manipulation that has put statistical discussions into disrepute.

You must remember, Mr. Speaker, that this government has had a difficult time with figures. The most recent manipulation of figures under the auspices of the government party was so misleading that even the leader of the Liberal party in Quebec dismissed it as "inopportune, awkward and unjustified." Some of his associates were even less restrained. One aide is quoted as saying "The Feds are maniacs". Of course, everyone in this House can remember the earlier difficulties this government had with simple figures. Of all the troubles the government has had, one of the most basic seems to be that it just cannot count. Some of us would argue that a more serious problem is its refusal to recognize that these unemployment figures stand for people and

not just numbers, people who are out of work, out of hope, and who are running out of patience.

When the Prime Minister is told that more than one half million Canadians are out of work, he has the curious view that it is an adequate answer to say there were more out of work sometime in the past. Mr. Speaker, this is certainly the first time in our history that a Government of Canada has deliberately tried to create unemployment, and that sets this government apart from any government in the past. But what the Prime Minister does not seem to care about is that many of the people who are out of work today are the same people who were out of work in the days past of which he spoke, and in some of the areas of chronic unemployment they are the sons and the daughters of people whose unemployment a decade ago the Prime Minister is so prone to refer to today. The Prime Minister and his ministers should stop these debating tricks, and recognize that these are human lives they are dealing with and which, in some cases, their policies are deliberately destroying.

The government offers a ritual defence of its policy of deliberately creating unemployment. It suggests that it is necessary to fight inflation and that we must choose between inflation and unemployment. That is a false choice. It is an old trick, to reduce every problem to two contradictory extremes. The suggestion that we can fight inflation only by creating unemployment is a deliberate attempt to mislead and to polarize Canadians.

Some hon. Members: Hear, hear.

Mr. Stanfield: The alternatives, in fact, are not as singular or as stark as the Prime Minister and his colleagues suggest. Their argument, that we cannot fight unemployment and inflation together, directly contradicts the views expressed by the Chairman of the Prices and Incomes Commission as well as the view of many other economists. By posing these false and stark alternatives, the government not only perpetuates unemployment but it impedes the discussion or development of alternative means to fight inflation, which would not lay so heavy and so unjust a burden on the weak, the poor and the unemployed.

I would remind the House that the policy of the government not only deliberately creates unemployment, but that the government is also deliberately encouraging the view among the well-to-do in Canada that unemployment does not really matter; that it is a necessary evil and that, in the words of the Prime Minister, it is a regrettable side effect; that the government in fact is pursuing a bold initiative in which someone has to suffer and it might as well be the poor. It is important to remember that this policy, this willingness to relegate the unemployed to the status of "a regrettable side effect," is all being done in the name of a just society. It is not a just society at all. Instead, these things are calculated to create a society that is as cynical, selfish and as callous as the government itself.

Some hon. Members: Hear, hear.

Mr. Stanfield: I would not often make this kind of judgment in a debate, but, Sir, this is an immoral policy. The government has no moral right to throw half a million Canadians out of work and to suggest to the comfortable majority who have jobs that this kind of callousness is somehow acceptable. The basic premise of the government's policy is that the weak should suffer so that the strong can prosper. That is unacceptable, Mr. Speaker. That is uncivilized.

Some hon. Members: Hear, hear.

Mr. Stanfield: If we do nothing else in this debate we must force the government to see unemployment in its proper context in this country, not as a cruel weapon in a hesitant campaign to achieve other goals but as a cause of human misery and regional depression, and possibly as a source of serious social disorder.

A figure of more than half a million unemployed is bad enough as it stands, but the crisis of unemployment extends well beyond the people it affects directly. It creates fear among hundreds of thousands of other Canadians who are not certain that their jobs will continue, who fear that they will be the next victims of the government's determination to put more slack into the economy. This policy affects families, Mr. Speaker, and the planning of all those Canadians, whether they are out of work already or whether they fear they will be put out of work soon, and that means hundreds of thousands more Canadians. Probably millions of Canadians are made more insecure and miserable by the fact that unemployment is high, and that the Government of Canada, their government, has stated—and it is hard to believe, Sir—that it is prepared to push the unemployment figure higher.

The government can dismiss this as soft talk if it wishes. It can make the claim that it is really being tough. It can make the claim that the current level of unemployment really helps the unemployed. It can make the claim that the unemployed Canadians, and members of the opposition, just are not smart enough to understand that the government is working in the interest of the unemployed. That kind of argument might wash in some boardrooms, but not too many I think; it might even wash in the caucus room of the government party, although I am not even sure of that; but it won't convince anybody else in Canada.

Unemployment is more than being out of work. Unemployment kills the will not only of individuals but of the communities where it is concentrated. That is why it has such a harsh and unfair effect upon the areas which traditionally have been areas of slow growth. If there is to be renewal of these areas, if they are to achieve economic equality or anything like it, one fundamental ingredient must be the desire of the people who live there to move up and the belief that they can. No amount of money from Ottawa can help an area whose spirit of self-help has been strangled or killed. The government is trying to claim that its policies are in fact helping the slow-growth regions. That is not the kind of help they would choose. The D.B.S. figures, as I have mentioned, are quite clear and affect not only the Atlantic provinces but other parts of the country as well.

• (3:10 p.m.)

It is difficult to know what effect, if any, the programs of the Minister of Regional Economic Expansion (Mr. Marchand) are having. He is the most mysterious minister in the House, in terms of what his department is doing. We can, therefore, judge only by the effects the eye can see. On the record, the policies of the Department of Regional Economic Expansion have so far been a failure, and one of the reasons they are a failure is that the government is at the same time pursuing a deliberate policy of creating unemployment. Once again, the government is working at cross-purposes with itself. One minister is charged with building up the slow-growth regions, while the others are busy building up unemployment. You cannot have it both ways. If this government wanted to organize a hockey game, they would have one minister spend millions on new uniforms and ask another minister to go out and melt the ice. Then, they would boast about what it all cost.

The Minister of Regional Economic Expansion was speaking in Toronto the other night. He did not have a text so we cannot be sure of exactly what he said.

An hon. Member: He doesn't know himself.

Mr. Stanfield: The report in the Toronto *Globe and Mail* reads as follows: "He (the Minister) said that the source of separatist feeling in Quebec was basically economic". The report goes on:

> The largest number of nationalists and separatists are in the eastern parts of Montreal and the province, where unemployment is highest, many people are on social security and the average income for each person is about $1,000 per year.

I assume the message we are to receive from that—and the message the Prime Minister has also been implanting recently—is that current events in Quebec are the result of economic hardship. There is no reason for the government or Canadians to take any comfort from that. There might be some distinction in logic between the Canadian who supports a separatist party out of commitment, and the man who votes separatist out of desperation. But there is very little difference in effect. The Prime Minister and the Minister of Regional Economic Expansion should be the last people to express satisfaction that protest votes are not against federalism per se but against federalism as it is practised by this government.

This country has enough natural divisions already. More than most federations, it needs a central government which is respected as an ally by every part of Canada, and particularly by the disadvantaged who have the strongest natural cause to question federalism. This government instead has gone out of its way to infuriate or alienate the people on the economic margins of the country. It has virtually ignored the crisis facing farmers in the west. It turns its back on the aged and on those Canadians who live below the poverty line. It creates economic conditions which mean that young Canadians cannot get work when they come out of school. It callously and deliberately creates new unemployment in the name of fighting inflation.

I do not intend to dwell on the issue which the Minister of Regional Economic Expansion raised. But surely it is clear to us all—and certainly it is proper for the Parliament of Canada to discuss—the fact that unemploy-

ment is creating or confirming instability and unrest in many parts of Canada. Unemployment is creating an explosive situation. Young people are out of school and out of work. One startling feature of the most recent unemployment statistics is that they reveal the degree to which younger Canadians are being forced to start what would normally be their working lives without jobs. Particularly when one considers the extent of social criticism and dissatisfaction among the young today, this unemployment for the young is an invitation to disorder. Consider the difficulty students are going to have finding summer employment under these conditions.

The same would be the case if unemployment were disproportionately high—as we must assume it is—among native people, and others who already feel they are the victims of prejudice. It is an unhappy fact of life that many of the native people of Canada live in areas where growth is slow and jobs are few. Since the effect of the government's policy to deliberately create unemployment is particularly harsh in regions of this kind, we must assume that the proportion of unemployed native people is higher than the proportion of unemployed Canadians generally.

Sometimes people accuse this government of a lack of respect for tradition but I think it sometimes shows too much respect for tradition. Indeed, in one area at least I think the Prime Minister is trying to recreate the past, unemployment and all. One hears of the possibility of the government creating a poverty council, the aim of which would be to spread poverty evenly across the country with special attention to areas of slow growth. If this were to be done the Minister of Finance (Mr. Benson) would be an appropriate adviser on theory.

This is a government policy which is cruel and inappropriate. It is not only harmful to the people who are unemployed today. It amounts to a serious attack upon the prospect of development in many of the slow growth regions of the country. It amounts to an invitation to the young and the dispossessed to protest, and the old to give up in frustration in whatever way is at hand. It is a policy destructive of human dignity, destructive of social order, destructive of national unity and development. It is a policy which suits the theorists in the East Block, and no one else. It is a policy which must be reversed.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the motion before the House draws attention to the recent level of unemployment and to slow economic growth in Canada. I think it is significant that nearly all of the opposition days have been devoted to the lamentable condition of the Canadian economy. That is because when members in all parts of the House return to their constituencies they find this to be the number one issue. There can be no doubt that the Canadian economy is in serious trouble.

First of all, there are all the signs of an economic slow down. Even the budget of the Minister of Finance (Mr. Benson) predicted a one and a half to two per cent drop from the 4.8 per cent growth in 1969. This means that in this year, by the minister's own figure, we will probably have a reduced growth rate in real terms of 2.8 to 3 per cent. That contrasts very poorly with the recommendation of the Economic Council of Canada that we require a real growth rate of 5.5 per cent to 6.5 per cent if we are to maintain full employment in this country.

Mr. Deputy Speaker: Order, please. The hon. member for Athabasca on a point of order.

Mr. Yewchuk: On a point of order, Mr. Speaker. I should like to point out to the House that when this very important issue is being discussed there are only four government members in the House.

Mr. Deputy Speaker: That is hardly a point of order. The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Muir (Cape Breton-The Sydneys): There are no ministers.

Mr. Greene: I just sit back here so that I can have a better perspective.

• (3:20 p.m.)

Mr. Muir (Cape Breton-The Sydneys): You don't have any say, Joe.

Mr. Dinsdale: That is so, Joe.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The state of the economy is shown further by the fact that we now have an unemployment rate of 6.7 per cent, the highest we have had in Canada for some six years; and that is certainly the highest rate of any industrialized nation in the western world. Professor Seymour Friedland, Director of Capital Markets Research Program at York University, said this recently:

> The question is no longer whether we are going to have a recession—we already have a recession—but how serious the recession will be.

It is because the parties in the opposition recognize that we are in a recession and are concerned about the government's lack of action that the matter is being discussed here at this time. As an hon. member pointed out a few minutes ago, significantly, the government's interest in this matter is demonstrated by the rows of empty seats on the government side of the House.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): There are rows and rows of empty seats.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The Minister of Finance is the only cabinet minister present and he only came in a few minutes ago. I think there are four Liberal members in the House at this time, which shows how concerned they are about the present economic conditions of this country.

An hon. Member: Only four Liberals are here.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The government's anti-inflation program is based on the wrong diagnosis and on wrong economic prescriptions. We agree that the government is justified in being concerned about inflation and rising prices. Any government has to be. Galloping inflation can destroy an economy and any government would be negligent in its duties if it did not cope with the problem of inflation and rising prices for the consumer. The government has got into trouble because it has made a mistaken diagnosis. It has mistaken the symptoms for the disease. The Government has accepted as a fact the mistaken notion that our inflation in Canada is the result of too much money chasing too few goods. Consequently, it has adopted the nineteenth century tools of blanket fiscal and monetary restraints. Senator Lamontagne, who formerly sat on the government side as a cabinet minister in the Liberal government, said this recently in the city of Toronto, as reported in the *Globe and Mail* of March 25:

> Canada currently is suffering from cost-push inflation, rather than the demand-pull variety,—

The Senator went on to say:

> This kind of inflation is structural, not cyclical in character, and it originates from the use of monopolistic controls in the supply side by both business and labour unions, not from excessive over-all demand. Thus it is quite possible to have at the same time cost-push inflation and deficient aggregate demand, rising prices and recession.

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

Senator Lamontagne said the government's anti-inflationary policy was the work of "decadent Keynesians", and he charged the government with "unconscious cynicism". There can be no doubt that the results of the government's ill-advised anti-inflation policies have been disastrous for Canada. We still have rising prices, and to that misfortune the government has added unemployment and an economic slow-down. The victims of this policy are the poor and the people who live in the least developed areas of Canada. The poor are hit twice: first, because the cost of living is still going up; and second, because many of them are thrown out of a job. When discussing these things in the question period, the Prime Minister keeps saying, "The Canadian people must exercise discipline" and "We have to break the inflationary psychology." Mr. Speaker, why is it always the people in the low income groups who have to learn discipline?

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Does anyone think that the government's anti-inflation policy will teach discipline to bank presidents, company managers, Members of Parliament and Senators? They will not be affected by the government's restrictive measures. It is the people who had nothing to do with inflation, the people who suffer most from inflation, who are now suffering most from the government's attempt to cure inflation. The same thing is true of the poorer regions of Canada. These are the regions that were not responsible for the cost-push inflation which we are experiencing; but they are suffering all the consequences of the economic recession which this government has imposed on Canada in an attempt to stop inflation. The work of the Minister of Regional Economic Expansion (Mr. Marchand) is being nullified every day by the monetary and fiscal restraints imposed by the Minister of Finance.

The motion before us speaks of the government's arrogance. Nowhere is its arrogance shown more clearly than in its persistence in following an anti-inflation policy that has incurred the criticism of almost every reputable economist in Canada. The government's Economic Council, which contains some of the best economists in the country, told the government as far back as last September in its Sixth Annual Review that:

> Further fiscal and monetary restraint could conceivably result simply in higher rates of unemploy-

ment and economic slack with no more than marginal effects on current rates of increase in prices and costs.

Before the Economic Council said that, many members in this House had said it, but the government has paid no heed to those warnings. It has gone on like a hippopotamus trampling through a field of tulips in persisting in this program, regardless of the results. I have in my hand a list of economists, including some of the best economists in Canada, who have tried to tell the government exactly what the Economic Council tried to tell it in its review. Professor Arthur Kruger of the University of Toronto called for reduced tariffs and a more vigorous anti-trust policy. Professor Rotstein, also of the University of Toronto, urges the separation of Canadian and United States economic policy. Professor Jack C. Weldon of McGill University says government policy has led to a 12 per cent unemployment rate among Quebec's French-speaking males. He claimed Canada would be better off accepting some degree of inflation rather than fighting it with rising unemployment. Professor Rosalind Blauer of Brock University, St. Catharines, called for a fluctuating exchange rate rather than measures with a heavy social cost. Senator Lamontagne, to whom I have already referred, described the government's policy as "the worst theoretical aberration since the mistakes that preceded the depression of the 1930's."

Mr. Alexander: You could go back even farther than that.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Just to make absolutely sure that the government got the message, the Quebec leader of the Liberal Party, Mr. Robert Bourassa, said recently in Montreal that the Quebec Liberal Party does not accept the anti-inflation policies of the federal government. He went on to blast the federal government for allowing its fiscal policies to be dictated by "mandarins operating in a closed circuit". He said he would do everything in his power to bring about a reversal in federal policy if his party came to power in Quebec.

• (3:30 p.m.)

Just a few days ago the Federation of Mayors and Municipalities met with the government. One of the mayors, Mayor Sidney Buckwold, a former Liberal candidate, reminded the government that urban construction was grinding to a halt. The mayors told the Prime Minister and the government that there is a serious unemployment situation in our cities. Is it not strange, Mr. Speaker, that the Economic Council of Canada, a former cabinet minister, the leader of the Liberal party in the province of Quebec, a whole battalion of outstanding economists and the Federation of Mayors and Municipalities are all telling the government of the disastrous consequences of their anti-inflationary policies? The government is satisfied to do nothing about it. It is like the old army joke, everybody is out of step but Pierre.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): The government is still trying to apply the policies of the Herbert Hoover era. The Prime Minister says that unemployment is a regrettable but necessary corollary of its anti-inflationary policy. What the government is really saying is that it is not possible in this country to have full employment and price stability. The government is saying that we have to choose between having galloping inflation or unemployment in this country. Any government that is not able to plan the economy of this country so as to establish a National high level of income and full employment and at the same time a degree of price stability have no right to continue sitting in the treasury benches.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): If the government cannot manage the economy of this country, then they should resign. They did not tell the people of Canada two years ago that the price of trying to halt inflation would be to throw people out of work and slow the economy down to a halt.

Mr. Alexander: They promised a just society.

Mr. Douglas (Nanaimo-Cowichan-The Islands): They promised the just society. It is just so-so! Having failed to either stop the rising cost of living or to maintain relatively full employment, the government is now trying to find a scapegoat. Their program of voluntary restraints has been a colossal failure because prices are continuing to rise, despite all the commitments that were made at the conference on price stability. Price increases have even been made by some of the tycoons who attended the conference, and this has been done with the acquiescence of the government.

The government seeks to place blame on organized labour. The Prime Minister told members of the Canadian Labour Congress that their share of the national income had risen from 62 per cent in 1950 to 72.6 per cent in 1969. I want to point out how misleading those figures are. The only fair way you can measure labour income is on the basis of the gross national product. Wages, salaries and supplementary labour income in 1950 was 48 per cent of the gross national product and by 1968, it had increased to 53.9 per cent. What the Prime Minister did not tell the people of Canada was that the figure of wages, salaries and supplementary labour income includes executive salaries and supplementary income which have grown faster than wages.

The government is asking the organized workers of this country to accept mandatory restraints based on collective bargaining agreements while only requiring corporations to give voluntary commitments which experience has shown to be worthless. As far as labour is concerned, there is no such thing as a voluntary restraint. When organized workers sign a collective bargaining agreement, that document is binding on them for the next two or three years. When a corporation makes a voluntary commitment not to raise prices, we can see how binding such a commitment is by some of the examples of the past few months.

The New Democratic Party has repeated in this House again and again what we consider to be an adequate program to deal realistically with the plight of our economy. I did this on October 24 in the Speech from the Throne debate at the beginning of this session. In the few moments I have left I wish to again mention some of the things this party thinks should be done.

First, we in this party think we must lessen the effects of United States inflation because undoubtedly some of our inflation comes from the United States where they have been spending $24 billion to $30 billion a year on the war in Viet Nam. Naturally, we are affected because of our economies being so closely interrelated. We suggest we should return to a floating exchange rate and set our interest rates in the light of our own domestic situation rather than in relation to American interest rates.

Second, we say there should be selective fiscal and monetary restraints for any areas of our economy that are overheated. We are not quarrelling with fiscal and monetary restraints. We are quarrelling with the fact that the government has adopted a buckshot approach. There are areas of the economy in which restraints could be advantageously applied.

Third, we suggest selective investment controls to direct available capital into socially desirable projects such as housing and infrastructure. If we have to keep down spending, then surely the outlays of available capital should be apportioned on the basis of social needs and not on the basis of the market. The Department of Industry, Trade and Commerce has just released the figures of projected capital spending, public and private, for the year 1970. It is rather significant that commercial construction in trade, finance and commercial services will increase by 55 per cent in Ontario this year. It goes on to outline that much of this construction will be for hotels and prestige office buildings. However, in the same province where commercial investments are increasing by 55 per cent, housing expenditures are decreasing by 11 per cent.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but his time has expired. Unless hon. members are disposed to allow him to continue—

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Thank you, Mr. Speaker. I just wish to make one or two points before I conclude. I am not going into the details of this report of the Department of Industry, Trade and Commerce except to point out that in the areas where we need more capital investment, such as the Maritimes and the Prairies, capital investment is decreasing. The places that are already affected by unemployment are the areas of Canada where capital investment is decreasing. That is why we in this party say there has to be some allocation of financial and material resources in this country rather than the shotgun approach which the government has been using in trying to cope with inflation.

• (3:40 p.m.)

Fourth, we urge that there should be genuine tax reform designed to redistribute income and to increase purchasing power of those on lower incomes. There is not too much money for 40 or 50 per cent of the people of this country. Certainly, the people below the poverty line, those in a state of deprivation, do not have too much money. One of the ways in which the economy could be strengthened

would be to raise the income tax exemption and lower the taxes of people with low incomes so as to give them the purchasing power to buy goods.

The fifth thing we are suggesting is that there should be a mandatory prices and incomes policy to prevent unjustified price increases and to roll back some of the administered prices which are now being imposed by monopolist and multi-national corporations. The government has surely learned by this time that we shall not achieve price stability merely by relying on voluntary commitments by industry. About two-thirds of the economy of Canada is controlled by monopolies and quasi-monopolies. The prices of the commodities which they produce are administered prices, set not only to cover costs and a reasonable return to the shareholders, but designed to generate capital for future development. These corporations are in a position virtually to set their own prices and to demand whatever they wish from the consuming public. Unless the government is prepared to adopt a mandatory prices and incomes policy we shall completely fail to deal with the question of rising prices.

I say to the Minister of Finance and to the government, there is only one thing worse than making a mistake: it is the refusal to recognize a mistake once it has been made, refusal to reverse a program. The government started out to cure inflation. It adopted a program of blanket restraint, and the results have been catastrophic. If it continues, a vicious circle will develop; every person thrown out of work is a person whose purchasing power is sharply curtailed, and this leads to others being thrown out of work. As more people find themselves out of work, the cost of production increases and it becomes more difficult to compete in foreign markets. An economic recession can develop into an economic depression very rapidly. The Prime Minister should not then be worrying about breaking an inflationary psychology; he should be worried about breaking a depression psychology, something which can be deadly as anyone who lived through the great depression will testify.

I am urging the Minister of Finance, not that he give up any idea of controlling inflation but that he should recognize that to fight inflation requires much more sophisticated economic tools than the blunt ones he has been using. He should look into this question of selective controls, both monetary and fiscal, of selective investment policies and the mandatory control of prices. It should be possible to do this in this age when we have computers and more knowledge of economic forces than ever in the history of mankind, it should be possible in a country like Canada, with its vast resources, to have relatively full employment, a high level of national income and, at the same time, a relatively even and stable price structure.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to take part in this debate on a motion of non-confidence against the government concerning its employment policy or rather its unemployment policy.

The Leader of the Progressive Conservative party has put a motion which reads as follows:

> That this House condemns the government's arrogant acceptance of recession-level unemployment in slow-growth areas of Canada and cost-of-living hardships generally while dogmatically continuing discredited policies that have failed to put the national economy on a non-inflationary upward course.

Mr. Speaker, we know that the government led by the Prime Minister (Mr. Trudeau) had promised the establishment in Canada of a just society which seems to exist only for a few individuals. Indeed, the large number of people who must live with the insecurity that unemployment creates surely do not benefit from the just society that the present government has promised, and the Canadian people are not deriving any advantages from the country's resources, for instance its natural resources that must be developed to bring wealth.

We are told that the rate of unemployment in Canada has now reached 6.7 per cent.

• (3:50 p.m.)

Needless to say, that is the official figure, but one must not forget that, during the year, some individuals who become unemployed may later find work while others may, in turn, lose their jobs. On this subject, I had the following question placed on the order paper:

> How many initial requests were made to the Unemployment Insurance Commission during the fiscal year ended March 31, 1968?

The answer I was given reads as follows:

> 1,389,366 initial claims were made through the Commission's offices during the fiscal year which ended March 31, 1968.

There is a gap between the unemployment figures mentioned above and the 6.7 per cent rate that is reported. As I explained a short while ago, an individual may not be without

work the year round, but rather for one, two, three or four months. Some sort of rotation takes place during the year. This means that approximately 1.25 million people are unemployed during a certain period of the year.

Everyone knows that forest workers, miners, construction and other workers must have a yearly income, otherwise they cannot make ends meet.

If a man goes back to work after having been unemployed during a certain period of the year, his financial problems are not over. When people are jobless bills pile up. Necessary clothing cannot be bought. People must therefore try to increase their earnings when they go back to work. In 1968 1,389,366 people were affected by unemployment.

Furthermore, we know that most of the time 40 to 45 per cent of the unemployed are to be found in Quebec, which is not a very enviable record. It is therefore not surprising to see signs of dissatisfaction among some people who get panicky when they think of the probable result of tomorrow's election in that province.

Some Progressive Conservative members have made representations to the government so that Quebec does not separate from the rest of Canada. I do not think that the citizens of Quebec have reached that stage but, nevertheless, it is true that discontent is general in Quebec because people are fed up with having to put up with a false, obsolete and outdated system.

The night the Minister of Finance (Mr. Benson) tabled the budget, newsmen interviewed the Prime Minister about unemployment and the fight against inflation. He answered then that the fight he had undertaken against inflation had not yet given any result and that he was carrying it on in this area. In short, we do not know where we are going but we are going anyway.

With a view to checking the steady increase in the cost of living, we are trying to create more and more unemployment, without showing the least concern for the Canadian workers and taxpayers. The cost of living must definitely be brought down. However, people do not realize that the methods resorted to could well lead to an economic recession, which would be just the opposite of the results that are being sought.

What we ask of the government is not an increase of the unemployment level, but the creation of more jobs while it is still time.

[Mr. Laprise.]

There are many things that can and must be done but we do not want the battle against inflation to be fought at the expense of the workers.

Often enough I hear people say that we should promote full employment in every field. In the province of Quebec, the chief of one party recently announced that if his party gets into power he will see that 100,000 new jobs are created.

We are wondering how he will create these 100,000 new jobs.

What does he prefer? Certainly, if one looks at the various economic sectors, we find there is no problem in the production area. As a matter of fact, we are not short of consumer goods. This year, payments of about $100 million will be made to the western wheat producers to get them to reduce their production. Thus, we are granting subsidies and it is not because we are short of wheat.

However, dairy producers are penalized because they produce too much. They have to pay a fine of $1.50 if they produce milk in excess of the quota allowed to them by the government. It is not because we are short of milk, since Canadians produce more than they can consume. I am not saying they consume all the dairy products they should. Far from it. But the unemployed cannot afford to buy butter. They must be satisfied with margarine, and they cannot provide their families with all the fluid milk they would need. Sometimes, they have to make do with a pint of milk, whereas they should drink a gallon a day.

I do not say that there is overproduction of dairy products, but rather underconsumption in that field in particular—although there is an across-the-board underconsumption—because thousands of unemployed people cannot buy everything they need. What will happen to the 100,000 new jobs? What kind of products which are required at present could we produce when there is already enough production?

In his book "The American Challenge" Jean-Jacques Servan-Schreiber reports that the forecasts are such that in the U.S. and therefore, in Canada, its vassal, the average income will reach $7,500 in just 30 years and the work week will be made up of four 7-hour days, or 28 working hours. The year would be divided into 39 work weeks and 13 holiday weeks, which would give the workers 218 free days for 147 work days if one takes into account week-ends and holidays.

It is expected that this will happen in less than a generation.

The purpose of reducing continually the number of working hours is to enable the highest possible number of workers to find employment since it has been found that machines, automation and cybernetics make it ever easier to produce.

One will recall that barely a hundred years ago, at the time the internal combustion engine revolutionized industry, mechanical power replaced physical strength.

About 20 years ago, automation appeared and there was another industrial revolution greater than the previous one. Now today, cybernetics is at our disposal.

In 1964, Robert Cooney said the following about unemployment, and I quote:

While we urge young people to get degrees, technicians devise office machines that will make unemployed people out of those young graduates when they leave the university.

While the retraining of technicians displaced by the introduction of a machine doing their work is proceeded with, a new machine is being devised that will make the retraining as outmoded for those unfortunate people as the old techniques that had become useless to them.

—unemployed educated people are being added to unemployed uneducated people.

Mr. Speaker, that reminds me that in 1960-61-62, we were told that if there were so many unemployed people in Canada, it was because those people were uneducated.

Yet, on March 19 last, the JOC pointed out that in the Province of Quebec alone, out of a total of 200,000 unemployed Quebecers, 57,000 were in the 16 to 24 age group. Yet one cannot say, that those young people are uneducated. They all have to attend schools and universities but we realize that once they leave such institutions, there is no job for them. Therefore we are now confronted with educated unemployed. There is now another excerpt from Mr. Cooney's article and I quote:

We have now come to the point where the machine has become a substitute not only for man but also for the former, less sophisticated machine. Furthermore, the machine is now manufacturing other machines.

I cannot see any production problem in anything happening now. In his book "The American Challenge", at pages 93 and 94, Servan-Schreiber describes what is occurring now. This book was written three years ago but Servan-Schreiber was forecasting the things that would happen in 1980 and, which in fact, are just beginning to happen. Here is what Servan-Schreiber has to say in his book:

• (4:00 p.m.)

Well before 1980, computers will be small, powerful, and inexpensive. Computing power will be available to anyone who needs it, or wants it, or can use it.

In many cases the user will have a small personal console connected to a large, central computing facility where enormous electronic memories will store all aspects of knowledge. Corresponding developments in man-machine interaction will make it as easy to learn to use the new computers as to learn to drive a car.

The more exciting developments in information processing are based on "real-time" computer use. In these uses, the computer memory and processor are large enough to handle within seconds a variety of jobs, without needing to call for additional information from a non-computer store, such as punched cards. There is in these cases potential opportunity for the human operator to interact with the computer at a speed not too different from person-to-person conversation.

It is estimated that the entire store of information in the world's libraries amounts to 10^{15} (one quadrillion, or one million billion) bits. This information is stored in the form of books and other printed documents, and is doubling every 15 to 20 years.

A leading computer manufacturer has recently announced the commercial availability of a new type—

These predictions have now come true.

—of direct-access computer memory that will hold a thousand billion bits, or one thousandth of the world's recorded information. There appears the possibility that by 1980 a small number of computers will replace all the written documentation existing in the world, and that they will work in "real time"—replying to questions with information at the speed of human conversation.

Well, such are the advances of technology which make it possible to almost instantly disseminate information throughout the world. In the face of such development, I wonder where the problem of production comes in. If it has become so easy to exchange information and to produce, why do we try to solve the problem of production when it is non-existent?

Instead of subsidizing production at the executive level, the government should distribute more purchasing power to the people. While the Prime Minister suggests credit restraints in order to reduce prices, his colleague, the Minister of Regional Economic Expansion (Mr. Marchand) grants subsidies right and left in order to create new industries, thus contributing to increase production. Both approaches are contradictory.

In my opinion, it is not advisable to subsidize industries which will produce goods for which we have little or no need, since in every field, Canadian industry is already able to meet all our needs. Indeed, industries close down in some areas because they fail to sell their production.

Therefore, instead of subsidizing production at the top, let us rather consider subsidizing consumption at the bottom. Let us subsidize the consumer so that he may ask industry for what he needs. He could also specify the standards he expects. Thereby, we shall help consumers as well as industries, which would still obtain subsidies, though indirectly. Industries will therefore be urged to produce what Canadian consumers want, instead of the government wants. It would then be a much more logical way of helping our people, who expect their governments to pass fair pieces of legislation.

My colleague, the hon. member for Portneuf (Mr. Godin), last week put forward a guaranteed minimum income plan designed for all Canadians. I believe that the program of the New Democratic party includes a similar plan. I also believe that the Progressive Conservative party is considering the advisability of such a plan, and I know that in the United States, a universal guaranteed minimum income plan is being seriously considered.

I think that the methods of financing such a plan differ from one party to the other. This government should therefore consider establishing such a system in Canada in order to guarantee to all citizens a decent income, enabling them to control production. The same result might be achieved by increasing family allowances, old age security pensions and other welfare benefits across Canada, so that the recipients would not have to rely on employment. If full employment is clearly not possible, people should be able to enjoy just the same the goods produced by the machine which has replaced them.

If a system were established whereby citizens would have additional purchasing power, I am convinced that this would eliminate certain worries, particularly those currently felt by Quebecers. By establishing such a system, Canadian families would be in a position to benefit from the resources available in Canada.

[*English*]

Hon. E. J. Benson (Minister of Finance): Over the past several months there has been much debate both inside and outside the House about the most serious economic problem facing Canada today—that of inflation. The continuing debate about the policies adopted by the government involves fundamental economic issues of profound importance to us all. It is essential, therefore, that all Canadians should carefully weigh the consequences of the various alternative courses that have been urged upon us.

• (4:10 p.m.)

As a nation, we are confronted with two basic choices—fighting inflation or ignoring it. Among those who believe there is no practical alternative to fighting inflation, there is broad disagreement about how vigorously the fight should be waged and with what weapons. There is an equal measure of disagreement among those who believe that the fight is not worth waging in the first place.

Consider the second and most beguiling option first, that of ignoring inflation. Many of those who press for the adoption of this course argue that the continuing inflationary spiral in Canada is largely the result of sharply rising costs and prices abroad. There is little that Canada can do to insulate itself from these foreign inflationary pressures, they argue, and as a result there is little advantage to be gained in adopting domestic economic restraints that may cause increased unemployment.

Instead, they contend, the nation should learn to live with inflation, if not to love it, by building an inflationary escalator into the economic system that would enable the incomes of all of us, pensioners and wage and salary earners alike, to keep pace with spiralling prices. That, Mr. Speaker, would be like administering tranquilizers to offset the effect of an economy on "speed".

It would be foolish to deny that the level of costs and prices in Canada may be substantially influenced by inflationary pressures from abroad, particularly from the United States. But it is equally foolish to ignore the fact that the inflationary spiral in Canada has received a sharp impetus from cost and price pressures originating with the Canadian economy.

It is admittedly unrealistic to expect that Canada can succeed in maintaining relative price stability at home in the face of swiftly rising prices south of the border. Conversely, however, it is entirely possible for Canada to do very much worse than the United States if

it does not adopt complementary policies to restrain its own inflationary pressures.

There is another allied school of thought which, while conceding that inflation is a serious problem, holds that our policies of restraint are misdirected because they will have little or no effect on the cost-push type of inflationary forces at work in the economy today. The use of fiscal and monetary policies to restrain economic growth are only appropriate, they insist, if inflation is being caused by an excessive demand on the part of Canadians for goods and services.

There is no doubt that cost-push inflation poses a particularly difficult and stubborn problem, one that is not readily cured by the policy instruments we have at hand. But there is equally no doubt that the problem would be compounded in a major way if we lifted our restraints and allowed the economy to run at full throttle. When he spoke in Ottawa in February, Paul McCracken, Chairman of the President's Council of Economic Advisers in the United States, put it this way:

> If profits were lush and enlarging rapidly, would this be apt to influence the size of negotiated settlements? Would it affect pricing decisions? Obviously, the answers must be in the affirmative.

To opt for a decision to ignore inflation is to ignore the critical fact that Canada is a trading nation which is linked in an integral way to the economy of North America, to say nothing of that of many other countries around the world. Nor is inflation a static thing. There is no assurance whatever that in the absence of restraining measures the rise of costs and prices would maintain just the recent rate of increase. On the contrary, inflation feeds on itself if it is left unchecked, eventually gathering the kind of frightening momentum we have witnessed in a number of other countries. One could choose Brazil as an example, where inflation got up to the rate of 100 per cent per annum.

For Canada to adopt a deliberate, long-term policy of ignoring inflation is to invite economic disaster by exposing itself to ruinous foreign competition both at home and abroad. While the effect of such a development might be offset in part by a steady reduction in the exchange rate, the adverse consequences for Canadians as a whole would remain very severe.

I think there is little doubt that the vast majority of Canadians, including the vast majority of the members of this House, are deeply concerned about the impact of inflation and are convinced that we must break the current spiral of costs and prices. There are, however, differences of opinion about the strategy we should adopt and the emphasis that should be placed on particular implementing policies.

In order to put the present problem in its proper perspective it should be remembered that Canada has just completed nine years of continued economic growth. For example, our gross national product has doubled since 1961, from $39 billion to $78 billion. This is an achievement without precedent in our country which, until the beginning of the last decade, had experienced a never-ending cycle of prosperity followed by recession. Clearly our goal must remain that of maintaining continued economic expansion in order to provide jobs for tens of thousands of young Canadians entering the labour force every year and to provide a rising standard of living for all of us.

To avert the danger posed by inflation, the federal government and the Bank of Canada for some time have employed fiscal and monetary policies aimed at moderating the growth of the economy in order to remove the pressures which set the existing inflationary spiral in motion. Although the government has introduced a number of measures to offset the adverse impact of these policies, particularly in the slow growth regions of Canada, there has inevitably been a moderate increase in unemployment.

I should point out that in the 1970-71 year, expenditures, loans and investments under the regional economic expansion program for the slow growth areas, areas of high unemployment, are estimated at $353.7 million, an increase of $120 million over last year's estimated program. Equalization grants are estimated at $755 million, an increase of $81 million over last year. For 1970-71 the manpower component, that is largely for retraining, in the Manpower and Immigration Department is estimated at $420 million. Other important programs are the farm credit program, the wheat inventory adjustment program, and various public works projects.

Without engaging in the kind of numbers game played by some members of the opposition in recent days, I would stress that the increase in unemployment has been moderate. I mentioned in this House last week that the February rates of unemployment were equalled or exceeded in eight of the past 13 years, and indeed in 1961 reached a record level of 11.2 per cent in the month of February.

Most hon. members will be aware that the Toronto *Star* editorially has criticized us for not being sufficiently concerned about the number of Canadians without work. That makes all the more significant an observation by Jack McArthur, the *Star*'s financial editor, in a column last week.

There are two things to keep firmly in mind. Most of our unemployment is not caused by Canadian policies related to inflation; and the increase in joblessness has not been large even though the increase in controversy has been.

Like the *Star* some members of the opposition have accused us of being overly concerned about inflation and insufficiently concerned about unemployment, as if we had a choice between the two. But inflation and unemployment are not two separate and unrelated problems, only two aspects of the central problem of maintaining strong and steady economic growth in Canada, with relatively full employment and without undue increases in the cost of living, all of which are our aims, and which the government, until the last couple of years, was reasonably successful in achieving over the period from 1961 forward. As the Prime Minister (Mr. Trudeau) said in the House last week, "We are fighting inflation in order to prevent greater unemployment in the future."

In a recent speech to the Canadian Club in Toronto, the Governor of the Bank of Canada observed that in choosing the appropriate economic policies we must assess the direction in which the greatest risk lies. He said:

Under present conditions, having regard in particular to the state of inflationary expectations and to the strength of the underlying demand factors—

I think these were indicated to some degree in the statistics for proposed capital expenditures brought out by the leader of the New Democratic Party.

—both in the private and public sector, I believe that there is no doubt that the most serious risks lie in allowing inflationary pressures to regain strength.

Perhaps no one has made this crucial point quite as clearly or quite as bluntly as the financial spokesman for the Progressive Conservative party. Speaking during a meeting of the Commons Finance Committee last November 4, the hon. member made clear his own deep concern about the problem of inflation. While he critically questioned some of the measures we had adopted to meet this problem, the hon. member for Edmonton West (Mr. Lambert) underlined the danger of failing to persist in our efforts. He said:

If the national effort results in an underkill on this score it will be far worse than the overkill; because if we have a national underkill in this fight against inflation we will have to start all over, and I think the square of zero is going to be much further back again.

• (4:20 p.m.)

Hon. members will recall that only last February this same Commons Finance Committee made a strong recommendation, and I quote:

—that there be no relaxation of current monetary and fiscal policy until it results in a distinct deceleration in the rate of increase in the elements of cost, particularly incomes, and in prices.

Even though there have been some encouraging signs of progress, we still have not reached the point where there has been a clear slowing down in the rise of costs and prices. Nevertheless, there are those who now urge us to reverse the thrust of our monetary and fiscal policies and to promote full-scale economic expansion—in other words, to abandon the fight against inflation. If we were to follow this course, there would undoubtedly be some temporary decrease in unemployment. But we would also court the extreme risk of unleashing new and stronger inflationary pressures that eventually would create havoc in our economy and result in far greater unemployment than that we are now experiencing.

There are those both inside and outside the House who have contended, however, that it is possible to have our cake and eat it too, who have contended it is possible to promote maximum economic growth while at the same time overcoming inflation. When we debated the issue in the House of Commons last February, for example, the Leader of the Opposition (Mr. Stanfield) suggested that the problem would somehow be magically solved by the government laying down voluntary wage and price guidelines.

I seriously question whether anything would be accomplished, on balance, by the government proclaiming guidelines which it was quite unable to enforce in any comprehensive way, particularly if the present fiscal and monetary restraints were removed. Contrary to the inference of the Leader of the Opposition, the government has strongly supported the efforts of the Prices and Incomes Commission to develop national support for the exercise of voluntary restraint.

Another alternative that has been proposed by the New Democratic Party, and an hon. gentleman in the other place, is that the government go beyond present efforts to achieve voluntary restraint and instead impose sweeping price and income controls on the economy. Speaking in the House during the February debate, the hon. member for York South (Mr. Lewis) contended that, as he put it, "we are suffering from managed and administered prices in the most important areas of the economy and they no longer respond to the broad fiscal and monetary policy." Unlike the gentleman in the other place who spoke about the influence of market power in raising costs and prices, the member for York South made no reference to the strong market power exercised also by certain segments of organized labour.

There is little doubt that the lack of perfect competition in our economy and the degree of market power that can be exercised both by certain companies and certain unions aggravate the problem of bringing inflation under control. It should be noted, however, that the increase in prices in the durable goods industries has been significantly less than in other sectors of the economy, even though this is an area where there is a potential for the exercise of market power. Conversely, some of the greatest price increases have taken place in parts of the service sector where the potential for exercising market power is less evident.

Mr. Stanfield: Then why is the government introducing consumer credit controls?

Mr. Benson: While the possibility of being forced to adopt temporary price and income controls under certain conditions cannot be ruled out, such controls would be disruptive to the economy and cause major aggravation to the Canadian people.

Mr. Stanfield: Surely, that is an argument against consumer credit controls.

Mr. Benson: I was talking about price and wage controls.

Mr. Stanfield: I was saying that the minister's remarks were an argument against consumer credit controls.

Mr. Benson: My hon. friend can argue against almost anything.

Mr. Muir (Cape Breton-The Sydneys): At least he can put up an argument, instead of talking the drivel the minister is talking.

Mr. Benson: Furthermore, unless a host of other measures were also adopted, such controls would have only a limited effect in containing the inflationary forces in the economy generated from abroad. And certainly controls over prices, wages, salaries and other forms of income are not an adequte long-term solution to the ever-present threat of inflation that will face an economy expanding close to the limits of its growth potential. In addition, Mr. Speaker, it is important to note that the proposal for price and income controls urged on us by the New Democratic Party does not even have the backing of the Canadian Labour Congress.

In the brief which it presented to the Cabinet on March 23, the Congress observed that the Prices and Incomes Commission had indicated its intention, in the CLC's words, "In effect to exclude from its price reviews all business firms in Canada except a very tiny minority whom it would regard as being in a position to exercise major market power."

Commenting on the position of the Commission, the Congress brief asserted:

> All of this is perfectly understandable. It would require a huge government bureaucracy, which would be politically unacceptable (except under wartime conditions), as well as physically impossible to set up in time to monitor a broad range of price increases in 1970.

For its own part, the Labour Congress expressed its concern over inflation, but offered no alternative means of resolving the problem other than through the dismal one of recession. "Wages and profits," the brief maintained, "are heavily influenced by the business cycle, with profits taking the lead and wages lagging behind when the economy emerges from a recession". "On the other hand," the CLC continued, "when the economy begins to turn downward, profits, again being a leading indicator, are the first to decline, followed shortly after by a decline in the rate of wage increases."

The hon. member for York South, Mr Speaker, has accused the government of being hidebound by doctrinaire orthodoxy. I wonder how he would describe the views of his friends in the labour movement about the inevitability of recessions and the necessity of relying on such a harsh cure for inflation. Over the last decade, one of our foremost objectives has been to break with this boom-and-bust pattern of the past and instead seek to maintain strong but stable economic growth. I may point out that this is the course that has been repeatedly recommended by the Economic Council of Canada in successive

reports signed by the representatives of organized labour who are members of that body.

In its last Annual Review published in September, 1969, the Council concluded that "fiscal policy in Canada has, for the most part, operated at a setting more consistently appropriate to underlying economic developments since the mid-1960s than has been the case in the United States." In this same context, the Council cautioned that under the circumstances existing at the time further fiscal and monetary restraint—and the operative word is 'further'—could conceivably result simply in higher rates of unemployment and economic slack with no more than a marginal effect on current rates of cost and price increases.

I would point out in this regard that not only has the government not increased the degree of restraint in the interval, but in fact moderately eased that restraint through the budget which I introduced in the House last month. Were we to allow the economy to fall into the kind of recession that the leaders of the Canadian Labour Congress appear to consider inevitable, it is probable that the inflationary spiral would be broken fairly quickly. But as a nation, we would pay dearly in terms of heavy unemployment and lost incomes. To follow the other course, that of seeking gradually to ease the inflationary pressures reverberating through the economy while continuing to maintain reasonable growth necessarily takes much more time and patience.

There are a few hopeful, if still only tentative, signs that these inflationary pressures may be easing. During the last two months the rise in consumer, wholesale and industrial prices appears to have levelled off. During March, the rise in consumer prices represented an increase at an annual rate of 2.4 per cent, compared to the year-to-year increase in the index during 1969 of 4.5 per cent. At the same time, some interest rates have declined significantly from the high levels reached at the turn of the year.

Against these developments must be set the fact that inflationary pressures apparently continue to remain strong in the United States. During March, the U.S. Consumer Price Index rose by half a percentage point and stood 6.1 per cent above the level a year earlier, compared to the year-to-year increase in Canada for the same month of 4.6 per cent.

[Mr. Benson.]

• (4:30 p.m.)

In its brief to the cabinet, the Canadian Labour Congress maintained that the restraints imposed on the economy by the government would soon have an appreciable dampening effect on the rate of wage increases in Canada this year. But in his recent Toronto speech, the Governor of the Bank of Canada pointed out that the average pattern of recent collective bargaining settlements indicate we are continuing to build into the economy average annual wage increases of more than 8 per cent. "These rates of pay increases," he said, "are obviously far in excess of the average productivity growth in our economy and are not compatible with a movement towards price stability."

Because of these kinds of developments at home and abroad, it is obvious that no swift and dramatic results can be expected in our battle against inflation. Diverting the economy from its inflationary course and back to a path of stable growth will, as I said before, take time and patience. Although this policy is not dramatic, it represents a more innovative approach to dealing with the problem of inflation than we have ever followed before in Canada and one that over the long haul is in the best interests of all Canadians.

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I wish to say a few words about this motion sponsored by my leader. I quote part of the motion:

That this House condemns the government's arrogant acceptance of recession-level unemployment—

I think that is well worded. All we have to do is look across this House at "Trudeau baby". We see arrogance there all the time. As soon as someone asks a question concerning unemployment, the "old shrugger" shrugs his shoulders and either will not give an answer or gives a crazy answer. He will not come down to earth. I continue to quote the motion:

—in slow-growth areas of Canada and cost of living hardships—

Ask the housewives of Canada if they have a cost of living hardship. What is their dollar worth?

—while dogmatically continuing discredited policies—

Instead of the word "dogmatically", I would have used the words stubbornly and stupidly.

—that have failed to put the national economy on a non-inflationary upward course.

I would have liked to say a few words with regard to the remarks of the previous speaker, but I have other comments to make. However, may I say to the previous speaker, through Your Honour: Ben, get down to earth. Get with the ordinary people. Get out of your ivory tower. Don't let yourself be swayed by academics, fuzzy-wuzzies and the professorial types who surround you. You think everything is fine. You think that all is well in God's heaven and on God's earth.

An hon. Member: They even write his speeches.

Mr. Muir (Cape Breton-The Sydneys): I didn't say that. You have gained the impression that everything is great, that the increase in unemployment is only moderate.

An hon. Member: You can live on $30 a week.

Mr. Muir (Cape Breton-The Sydneys): Unfortunately, the minister still feels that anyone in Canada can live on $30 a week. I suggest he tell some of these stories to those unemployed people who cannot get a job and are finding it most difficult to support their families. Many members receive letters daily from the unemployed regarding their problems. I do not intend to go into great detail to reply to the drivel just spouted by the minister. There are others in our party and the NDP who will have no difficulty whatsoever refuting what the minister has said.

The degree of the heartlessness of this government is best exemplified by an article that appeared in the Halifax *Chronicle-Herald* on Thursday, April 23 which contained unemployment figures, province by province, for the Atlantic region. The unemployment figure in Newfoundland stood at 15.3 per cent of the labour force. This would be a shocking rate of unemployment for an under developed nation. However it is the rate of unemployment in a province of Canada that has a Prime Minister who based his drive to the leadership of the Liberal party and the election campaign that followed, on regional economic disparity and the elimination of same. This indicates the degree of gross incompetence of the government in its handling of national affairs.

Last week the Minister of Regional Economic Expansion (Mr. Marchand) said in Toronto that regional economic disparity is the number one problem facing this nation. He finally wakened and found out what the problem was. The Prime Minister told us that in 1968. Then, he undertook a campaign to create unemployment in all areas of this country, including those facing regional economic disparity. The end result is unemployment, hardship, misery and heartache, coupled with frustration for the people who live in the underprivileged areas of this nation. Now, roughly two years after the general election, the government has discovered that its heartlessness has neither solved the problem of inflation nor the gut problem of chronic unemployment. What we find instead of the elimination of regional economic disparity is a more severe degree of unemployment in certain areas of this nation than has ever been the case before.

This government has discovered its policies to be disastrous and devastatingly damaging to the labour force of this nation. There is no good news in Ottawa. There has been no good news in Ottawa for the working men of this country. The President of the Treasury Board (Mr. Drury) grins and smiles. He had a lot of good things for the Lapalme employees and for the other union people of this country. This shows what he would do if he had full sway in this country as far as the working people and the unions are concerned. He sits and smiles. He sneers. He has probably never been unemployed and probably does not know what it is to pound the streets looking for employment.

The Prime Minister has proven himself to be a calloused, heartless and disinterested observer of the plight of the working man. No man holding the office of Prime Minister has been willing to say "no" to the working man as quickly and as often as this Prime Minister, the great friend of labour. Where is the just society? It has gone out the window. When speaking at Carleton University a few weeks ago he said, hush, hush, let's forget about it. Don't mention it again. It is to be put away until he finds a new slogan or cliché for another election. It has been long forgotten by this over-fifty swinger.

An unemployment rate of 15.3 per cent in Newfoundland means that some of the areas of that province must be suffering from a degree of unemployment that will exceed 25 per cent of the labour force. This is the Canada of today under this Prime Minister. This is the Canada two years after the just society became the hallmark of the Trudeau administration. This is the Canada of participatory democracy—the Prime Minister coined that phrase; actually he stole it from an

American election campaign—where you can participate in everything but gainful employment.

Unfortunately for the working man, the statistics for Newfoundland do not improve when you leave that province. Indeed, the labour force of New Brunswick discovered that 11.8 per cent of its members cannot find employment. In Prince Edward Island, 9.7 per cent of the labour force find themselves in the same position. Nova Scotia holds the lowest figure standing at 7.7 per cent. While unemployment in this country is a federal responsibility, I feel that the aggressive activities of the government of Nova Scotia have had something to do with the fact that their unemployment rate is the lowest of all the Atlantic provinces.

Some hon. Members: Hear, hear!

Mr. Muir (Cape Breton-The Sydneys): In the Atlantic region, 10.8 per cent of the labour force is unemployed. The President of the Treasury Board seems to be muttering and mumbling. If he has anything to say that is encouraging for the unemployed of this country, I will be glad to let him have the floor after I finish my speech. He can then state all the wonderful things he is offering to the unemployed of this country. Let's hope this great union lover comes out with a good story, an encompassing exposé, stating what he and the government intend to do for the unemployed. I know he has a soft spot in that flintstone heart of his for the labour movement.

• (4:40 p.m.)

It was once a cornerstone of Liberal manpower policy to assert that an unemployment rate of 5 per cent indicated the nation was feeling the severe effects of a recession. Today, the figure stands at 6.7 yet the government continues to tolerate and, indeed, to bring about rising unemployment as part of its policy to check inflation. It intends to continue this policy even if it means that every man in the country is out of work. It is placing the burden of the fight against inflation on the backs of the half million men and women who are unemployed. And, in my opinion, the figure of 542,000 which has been suggested is, in reality, closer to 600,000, because I do not believe we are getting a true picture of the actual number of the unemployed; so many have become disgusted after going so often to manpower offices and hearing there are no jobs available. The people who staff the manpower offices cannot help the situation. They are willing to do their best, but there is no employment to offer.

The determination of the Trudeau administration to conquer inflation regardless of the unemployment statistics is exemplified by the stubbornness displayed by the Prime Minister daily in this House. He takes advice from no one but himself and the working man of this country has discovered that his adviser is a damn poor mentor.

Advice has been freely given by my leader as to the way in which inflation can be conquered without placing the burden on the shoulders of the unemployed. Advice has been given by all the candidates for premier, or, should I say, prime minister, in the province of Quebec, including Robert Bourassa, the Liberal leader. And this advice is significantly different from the policy presently being followed by this government. Advice has been offered by economists who have not reverted to the economic philosophy of the 1930's as to how both inflation and unemployment can be checked. But the government hears no one, sees no one and does nothing but create greater unemployment with each passing day.

Have we now arrived at the point at which the economy is out of control and out of the hands of the government manipulators? Are we heading into the worst recession this country has faced since the dirty thirties? These are questions which must be answered in the very near future by both the Prime Minister and his Minister of Finance (Mr. Benson), to say nothing of the Minister of Labour (Mr. Mackasey) and the Minister of Manpower (Mr. MacEachen) who, with the President of Treasury Board are supposed to be the great friends of the working man. All we have received from the Minister of Labour and the Minister of Manpower are flowery words that put neither money in the pockets of the working man, nor bread in his lunch pail. Flower power has failed, but maybe if we listen to the Minister of National Health and Welfare (Mr. Munro) we will go to pot.

The only place in Canada where unemployment is not a problem is in the Prime Minister's office. Each day we pick up the paper and see the Prime Minister has added another manipulator to his staff, until we realise he has an army of personal procrastinators at an annual cost in excess of $800,000. I am sure that if he continues to get his way, this will be the only army Canada will have.

If the government, even at this late date, really believes that regional economic disparity is the number one problem facing the nation, which I believe to be a fact, then let it look at projects such as the Prince Edward Island causeway. They spent millions to have a candidate turn over a sod the day before the election, and I think the Auditor General had something to say about that. However, the government intends to fix him in some way, to put him out of a job.

An hon. Member: One more unemployed.

Mr. Muir (Cape Breton-The Sydneys): There is the Prince Edward Island causeway or the harnessing of the Bay of Fundy tides to provide power, the type of project which would immediately employ the labour force of the Atlantic region.

We live in an age when statistics are passed out by government agencies, defended when confronted by other statistics, checked by a computer lest a mistake has been made and our slip is showing. Then, they are filed and forgotten. Not only the statistics are filed and forgotten, but also the stories of human tragedy which lie behind those cold and seemingly meaningless statistics.

We talk of 6 per cent unemployment; we talk of 6.5 or 6.7 and we can quote statistics of up to 20 or 25 per cent. But does anyone on the government side stop to think and say: Twenty per cent unemployed? Why, that means one in every five is out of work. One in every five is walking the streets. One in five is facing problems the like of which few of us can comprehend during these days of affluence and plenty. It is the tragedy of Canada in 1970—in the so-called "Just Society". What is the government's attitude to this tragedy? It can be summed up, I think, in the remarks of a man who said, some years ago:

> I have known people to stop and buy an apple on the corner and then walk away as if they had solved the whole unemployment problem.

Maybe the Minister of Energy, Mines and Resources (Mr. Greene), though still youthful in appearance, can remember those days when people tried to earn a living by selling apples on street corners. Few of us can comprehend the thinking which has led to unemployment on its present scale in the era of the just society—

An hon. Member: The age of Aquarius.

Mr. Muir (Cape Breton-The Sydneys): Yes, the age of Aquarius. And the age of the rule of the millionaires in the cabinet of Canada.

Mr. Drury: How did I get into it?

Mr. Muir (Cape Breton-The Sydneys): The government does not give a damn about creating unemployment. Indeed, it is using unemployment as its chief weapon in the fight against inflation. We raise our hands in horror when we hear of troops herding innocent villagers before them to take the bullets of the enemy. This country should raise its hands in horror that the government of the day is herding innocent citizens before it to take the brunt of inflation. It is true these people will not die physically. But for many life will not longer have meaning. Their agonies will be the cries of their children who must be deprived of some of the very basic necessities of life when they are surrounded by plenty. Is this how the government has to fight inflation? No kidding, Mr. Speaker, there must be other ways.

The Prime Minister of Canada has said he can live with 6 per cent unemployment, and he will not worry. How much different is this statement by the Prime Minister from the voice of yesteryear, that old cliché that still applies, "Let them eat cake"? Do the Prime Minister and his colleagues, his "millionaires row", really know what it is like to walk the streets despairingly looking for work, knowing that all doors are closed; that you are possibly too old at 40; that "sloppy Joes" and spaghetti will be the nearest you will get to a sumptuous feast; that your kids will have to go without shoes even if the ones they have are pinching or full of holes; that those same kids will be denied the opportunity of improving their station in life because incentive dies in poverty? Do they really know these things?

• (4:50 p.m.)

Perhaps I am doing him an injustice. We know that the Prime Minister is prepared to sleep with a high rate of unemployment. We also know that unemployment is a painful side effect in the fight against inflation. The Prices and Incomes Commission has issued a pamphlet on this very issue. As the House knows, this Commission is headed up by the man who has received a tan from the television camera lights that are always shining on him; I am referring to Mr. Young.

Mr. Bell: He is like the Minister of Justice.

Mr. Muir (Cape Breton-The Sydneys): Yes, and he is just about as active as far as talking and doing nothing are concerned.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member but his time has expired, unless he has unanimous consent to continue.

Some hon. Members: Agreed.

Mr. Deputy Speaker: The hon. member for Cape Breton-The Sydneys (Mr. Muir).

Mr. Muir (Cape Breton-The Sydneys): I wish to thank hon. members of the House for giving me a few moments; I shall not abuse that privilege. This pamphlet to which I was referring contains this paragraph:

> In the meantime, however, it will be difficult to avoid temporary but painful side-effects—higher unemployment and a loss of production affecting every region of Canada.

That is a profound statement! I should know this character who heads up the Prices and Incomes Commission because I have seen him so often on television. He really has a job for himself. He is going to make up the Canadian content for television that Pierre Juneau is going to enforce before too long. Let us have some action from him. Let him do something as head of the Prices and Incomes Commission. I would appreciate it if this great wonder from the west would really do something apart from making these unrealistic speeches of his in which he damns labour. The government, of course, does the same thing. Every opportunity they get they damn labour and the unions. They have no time for either. The same policy is being followed by this Commission.

With regard to this statement by the Commission, I should like to ask to whom these side-effects are going to be painful. Are they going to be painful to Mr. Young, or to the Prime Minister, or to the cabinet ministers of this government? No, they are not. Higher unemployment will not affect them. I suppose the government wishes the unemployed to tell their children, when they ask for shoes and for the bare necessities of life, to adopt the motto of Mr. Young and company, which I suggest should be hung up on the wall so these children can see it when they are trying to get themselves a meal.

There is criticism throughout the country of this government's rigid policy which has brought many areas to the brink of recession. The Fredericton *Daily Gleaner* for April 20 had this to say:

> In the Atlantic provinces, where the unemployment rate has for decades been greater than that of the rest of the nation, the policy of economic restraint is pushing unemployment to intolerable levels.

[Mr. Muir (Cape Breton-The Sydneys).]

> There are, moreover, increasing doubts that policies which tend to reduce production can really be the right remedy for inflation, which by definition is a condition in which demand exceeds supply or "too many dollars chasing too few goods." The flaw in the remedy is particularly obvious in areas like the Atlantic provinces where production standards and totals were already below rational or acceptable standards.

In conclusion, Mr. Speaker, I am a long way from being an economist, but I always felt that inflation could be defeated without creating massive unemployment. It would appear that economists throughout the country agree. The President of the Treasury Board smiles. He does not really seem to be upset about unemployment, and this is the traditional attitude of the government; they are not too excited about it. I would ask the President of the Treasury Board to consider the thinking of these economists who have stated that it is not necessary to have unemployment to fight inflation.

I make that appeal to the minister. I suppose my words will fall on deaf ears, but I am told that the minister has a lot of influence in the cabinet. Certainly, he must have some influence in crushing labour unions and working hardships on labour, so I presume he must have some influence among the seats of power in the government. Therefore, I appeal to the government to cease this headlong plunge into policies which I feel cannot but bring hardship to the unemployed of this country and their dependants.

Having started on this downward spiral, how are we going to stop it? I observe in the House this afternoon the hon. member for Carleton-Charlotte (Mr. Flemming) who, as the House knows, was formerly the premier of the province of New Brunswick. When a previous Liberal government instituted a tight money policy, one of their many infamous policies, he asked the then federal government with regard to the policies it was applying, if a man had 10 children—and we have ten provinces in Canada—and he had to apply a remedy to fight a case of constipation, would he give all of his children a dose of castor oil? Would he treat them all the same? This seems to be the remedy that the government is applying right across the country from Newfoundland to British Columbia. In some of the underprivileged areas of Canada, such as in the Atlantic provinces, portions of Quebec, parts of the west and Ontario, this remedy would not have any effect.

One is all right, of course, if one lives in that stretch between Windsor, Toronto and

Montreal, close to the United States border, where building is going on all the time and there appears to be plenty of jobs. But this is not the case in western Canada or in eastern Canada, so why does the government make all of the people across Canada suffer under these crude, cruel policies?

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I did not have the privilege or opportunity of listening to the Leader of the Opposition (Mr. Stanfield) when he introduced this motion. Indeed, I can only assume that it was the Leader of the Opposition who introduced the motion since it is in his name. Unfortunately, I had to be out of the House at the time. I do not know what he said, but I feel that the wording of the motion is particularly unfortunate.

The hon. gentleman condemns this government's "arrogant acceptance of recession-level unemployment". There is nothing arrogant about the government accepting recession-level unemployment. As usual with this party across the way, the hon. gentleman confuses the central problem of unemployment with the fight against inflation. He ties the whole thing together and assumes that there is an arrogant acceptance of a dreadful situation. It is too bad because whenever you are dealing with people who are out of work you should not treat that situation lightly; it is something to consider as seriously as possible in order to try and find remedies. It always has been thus.

• (5:00 p.m.)

This government, like any other government, could certainly use intelligent guidance. So far, it has received none.

Mr. Muir (Cape Breton-The Sydneys): You can say that again.

Mr. Osler: So far it has received none this afternoon. That is only a minor qualification, Mr. Speaker.

Mr. Bell: How about the speech by the Minister of Finance (Mr. Benson)?

Mr. Osler: I heard that one. I thought it was a pretty fair speech anyway. Unfortunately, the problem of unemployment has been with us for too long, and it has nothing to do with inflation. What about 1938 and 1939, the figures for which were given in the House the other day in another exchange, when 18.6 per cent of the people were unemployed?

An hon. Member: Under a Liberal government.

Mr. Osler: It may have been a Liberal government but that was at a time of great world wide depression.

Mr. Stanfield: What about in 1873?

Mr. Osler: In 1961, the unemployment figure was 11 per cent, and it was not a Liberal government then. In 1968, it was 6.4 per cent, and in March of this year, 1969, it was 6.7 per cent. I would say that to mix the two problems, the fight against inflation and the very serious problem of nagging unemployment, is to do less than a service to the people of Canada in view of the figures I have quoted. In view of these figures, we have to say to ourselves that we have too much unemployment too often.

In 1966, before the fight against inflation had begun, the average annual rate of unemployment was 3.6 per cent, and in 1968 it was 4.8 per cent. It is somewhat more at the moment. Again, I would suggest that this tells us that the problem of inflation is separate from the problem of nagging unemployment, which is brought on either by a great depression like in the 1930's, which God knows we hope will not happen again, or by technological upgrading of the demands on people who are employed. Nowadays people require higher skills, and through no fault of their own the people who are unemployed to a great degree are under educated, at least a great percentage of them. I shall return to what can be done about that later.

There are other special circumstances such as the collapse of the grain market, which has affected Saskatchewan and has put its unemployment figure up 2½ per cent higher this year than it was last year. Presumably lack of confidence in Quebec has put that province's figure up also, although by not nearly as great a percentage as in the case of Saskatchewan. However, inflation, which the government is making a valiant effort to fight, was also one of the causes of the plight in which the Saskatchewan farmer finds himself, and the government is attempting to do something so that he will not continue to be caught in the cost-price squeeze.

I would not like anybody to tell farmers that it is quite all right for the prices of everything they buy to keep on going up and up. The fact is that the poor old farmer has to produce two or three times as much to earn his living, and the result has been that he has

grown so much that all the produce cannot be sold. Inflation is not something to be bandied about. If we look at the figures for the past 13 years, Mr. Speaker, we see that since 1958, in Canada as a whole, unemployment in March has equalled or exceeded its present level—I am talking about the unadjusted figures because some people do not seem to understand the implications of the adjusted figures—eight times during those 13 years. In March 1961, it was 11.2 per cent, a lot worse than it is now.

In the Atlantic provinces as a whole, and I know Newfoundland has had the worst experience of all of them, in ten of the last 13 years the unemployment situation was worse than it is today. In the Atlantic provinces in March, 1958, the unemployment figure was 19.8 per cent. I am not bandying these figures around in order to get the government out from under its responsibilities, but I am trying to say it is dishonest to couple the fight against inflation with the fight against unemployment. These figures prove the exact reverse, that unemployment is a thing that has been here for a great deal longer than the fight against inflation has been in progress.

It does not appear that the fight against inflation has caused much unemployment in the areas that are most in trouble at the moment, but the figures do suggest that regional economic expansion and manpower retraining policies have been badly needed for a long time, and are still badly needed, and that they are appropriate to getting—

Mr. Lundrigan: Would the hon. member permit a question?

Mr. Osler: When I have finished my speech I shall be glad to accept a question from the hon. member. The policies that the government is trying to follow in the areas of manpower training and regional expansion are an honest attempt to get at the root causes that have been there for a long time, and which still persist today. It is perfectly fine for members of the opposition parties to say that the particular way in which the government is attacking these problems is something with which they disagree. That is their privilege and prerogative, but I resent their suggestion that there is something sinister, arrogant or what have you about what the government is doing, or that the government is doing nothing.

I would like to repeat what other people have said, that the choice is not between inflation and unemployment, it is between the level of unemployment that we have now and the level that we will have if we do not fight inflation. The situation we have got now is bad and we have to improve it. We are trying to improve it. If we do not persist in the fight against inflation it will get a hundred times worse, and as we price ourselves out of world markets we will have nowhere to sell anything. We depend on world markets to a greater extent than many other countries.

The timing of the use of controls to fight inflation again is an area where people may have genuine differences of opinion. It is perfectly honest and honourable for someone to say, "Now is the time to take them off," or "Now is the time to put them on." As the Minister of Finance pointed out, the Conservative party financial critic last November was saying his worry was not about what the Minister of Finance was doing, but about what he might not do. He was advocating, "Don't underkill. Don't take off your restrictions. Don't stop this fight against inflation." That was only in November. He may feel differently today, I do not know; he has not said. But my point is that it is a matter of an honest difference of opinion between people who are frankly looking at the situation and trying to see what can be done about it. But again there is nothing arrogant, deceptive or dogmatic about the way this government is conducting this fight.

• (5:10 p.m.)

I know that people find it difficult to accept adjusted and unadjusted figures. If you compare things annually, there is no need to use adjusted figures, and I have not done so until this moment. If you compare things on a less than an annual basis, you have to use adjusted figures in order to get a fair comparison. This is perhaps open to question, but Mr. Braithwaite of the *Globe and Mail* in his "Report on Business" wrote on April 23—

Mr. Muir (Cape Breton-The Sydneys): Why don't you quote from a Wall Street journal?

Mr. Osler: —that of all the unemployed at present—which I agree is too high a figure and usually is too high—perhaps 12,000 are out of work because of the inflationary policy, and the rest are out of work because of regional problems, seasonal problems, etc. I suggest again that we do ourselves no service by sloughing over the regional and seasonal problems. In my own part of the world, all building used to come to an end in the winter time. I do not know where we got our know-

how, perhaps from visiting Russia where they have been doing it for years; but people have learned how to carry on building in the winter time so now there is a reasonable pace of construction in Winnipeg in winter. Construction workers are not laid off automatically as soon as winter arrives, like they used to be.

We have to conquer problems of that sort if we are ever to get away from this seasonally adjusted employment. Recently, at a meeting of the mayors of municipalities, the conclusion was reached that urban unemployment was caused by the fight against inflation. I look upon that conclusion with suspicion, unless they had later figures than have been available so far, because in their outlook for 1970 the Dominion Bureau of Statistics stated that the total capital spending intentions for the current year appear to be a 7 per cent increase to about $17.6 billion, which would include some price inflation. Thus, it seems to me that the statistics provide no evidence that the slowdown in capital investment has contributed to rising unemployment in urban areas generally.

The particular mayor who made that statement is the Mayor of Saskatoon. It is possible he has a very serious problem because of conditions in Saskatchewan; but again I say, le us not confuse his problem with the fight against inflation. Let us get to the root of the matter which is to secure world markets for the produce which western farmers have been growing in the expectation they could sell anything they could grow. This survey by DBS showed that the Atlantic provinces expected a 6 per cent increase in capital spending; Quebec, about 6 per cent; British Columbia, about 14 per cent; and the prairies about the same as before, no increase. So, it does not appear that inflation is the culprit here.

I think it was particularly tragic, in view of the association that the New Democratic Party has with labour movements, that Mr. Walter Reuther should have made such a blunt and critical attack upon the Prime Minister (Mr. Trudeau) at a recent meeting in the United States. In the first place, as a Canadian, I find it very annoying to hear a man, whether he is a labour union leader, a capitalist or a functionary in the government of a foreign country, make a personal attack on the Prime Minister of my country. If I were a member of another party, I would feel the same way. The Prime Minister of our country is our Prime Minister no matter of what party he is a member, at present and I do not like to hear foreigners criticizing him.

I took the trouble to look up a few facts in relation to this attack and I find that whoever advised Mr. Reuther misinformed him. One of the allegations he made was that the Prime Minister deliberately attempted to cut down health and welfare programs and to somehow or other undermine provincial efforts in this direction. Again, the figures prove this not to be so. In this year's estimates we have $156 million new dollars going into fiscal transfers, $95 million new dollars into hospitals, $70 million into medicare, $49 million into post secondary education, $38 million into the Canada Assistance Plan; and there are increases in regular federal programs that are very close to health and welfare such as regional economic expansion, Indian affairs, and manpower development, which amount to $135 million or $140 million. So, the next time an important foreign labour leader—who has, I think, in many ways done a very fine job for his own people—starts sounding off about our Prime Minister, I hope he takes care that he gets better information.

Mr. Muir (Cape Breton-The Sydneys): He is telling the truth.

Mr. Osler: I do not know how one can bang this into some people's heads. I have made my point by giving figures, and yet I hear someone say that what the man said was true. It seems very difficult. However, the facts will be on the record.

Mr. Muir (Cape Breton-The Sydneys): A working man like you knows all about labour.

Mr. Speaker: Order, please. The hon. member for Winnipeg South Centre (Mr. Osler) has the floor.

Mr. Osler: Thank you, Mr. Speaker. I consider that some people work in some ways, other people work in other ways, and some people happen to be employed at the moment and others are not. The hon. member for Cape Breton-The Sydneys and I, luckily, both happen to be employed at present; so his remark was irrelevant if it was personal.

Mr. Muir (Cape Breton-The Sydneys): I was unemployed many times under the Grits.

Mr. Osler: You are having better luck this time.

Mr. Muir (Cape Breton-The Sydneys): The people see to that.

Mr. Osler: On manpower retraining, which I think is the long term guts of this situation—

Mr. Muir (Cape Breton-The Sydneys): But you ain't got it.

Mr. Osler: —there is a similar trend. In 1969, 320,000 people were retrained. One can assume that a large degree of unemployment is caused by the fact that people do not happen to be sufficiently competent to take the sophisticated jobs that they are required to take today. It is nobody's fault, it just happens that people are required to do more exacting tasks in this changing age than they used to do. Last year, thanks to manpower training programs, 320,000 people were retrained.

In the Atlantic provinces $55 per head of the labour force was spent and it diminishes to $20 in British Columbia. But right across Canada between $20 and $55—that is the scale—was spent on manpower training per head of the labour force last year. One can argue that this is insufficient and one can demand that the government spend more. This is a perfectly legitimate demand; but do not say that the government is not trying, because it is simply not true.

Some 55 per cent of the trainees were unemployed when they started their training. About $100,000 of the money that was spent was spent on those who were unemployed and living below the poverty line. About 43 per cent of the trainees had grade 8 or less education, and 22,000 had less than grade 6 education. How can one expect a man to gain a living wage if he has less than grade 6 education, unless he is a natural genius and there are not too many of them?

So manpower retraining is on the right track. This year the government will spend $273 million to train adult workers.

Mr. Speaker: Order, please. I regret to interrupt the hon. member but it appears that his time has expired. He can only continue with unanimous agreement.

Mr. Muir (Cape Breton-The Sydneys): I rise on a point of order, Mr. Speaker. I think this great dissertation should be continued. I am sure we all agree on that. Maybe the hon. member will say something shortly.

Mr. Speaker: Order, please. The hon. member appears to have some kind of agreement which will allow him to continue beyond his allotted time.

[Mr. Muir (Cape Breton-The Sydneys).]

Some hon. Members: Agreed.

• (5:20 p.m.)

Mr. Osler: Thank you, Mr. Speaker, and I thank hon. members for allowing me to continue. I shall be only a moment. Eighty per cent of the 8,000 students who were retrained under manpower retraining courses last year, and whose progress was followed, obtained jobs within three months after completing their courses, as against 41 per cent of the people who had not taken the course. The income of the retrained people had increased by approximately $55 a month within that three month period. So, I would say that the government is not being cynical and not being indifferent.

An hon. Member: It is being incompetent.

Mr. Osler: Being composed of human beings, any government may make mistakes. Any government does some things which are wrong. I have lived through times when governments that were not Liberal governed, and the country managed to survive. So, you cannot say this government is arrogant, callous, indifferent and does not give a damn.

An hon. Member: Oh, no?

Mr. Osler: Anyone would be stupid to say so. For heaven's sake, how does any politician hope to be re-elected if he makes no effort to help people and do things for people? The hon. member's arguments are specious and I was disappointed that they were the best arguments that could be raised on an allotted opposition day.

Manpower retraining is doing a good job. It ought to be accelerated; it may well have to be re-evaluated, changed and if possible made better. The government's regional economic program is only just beginning to roll in high gear and is only starting to have a meaningful effect. It will be some time before we can be sure we are on the right track this time.

Mr. Muir (Cape Breton-The Sydneys): In the meantime, we are starving to death.

Mr. Osler: We hope the program will bring about the desired results. Regional economic development must continue; there must be greater accent on regional economic expansion. Perhaps, since I come from a region that is relatively unfortunate when compared with certain areas of the central and western provinces, I may be excused for saying that perhaps we ought to look at the power structure itself. Perhaps we ought to look at constitu-

tional reform. I believe in this country from the bottom of my heart, but perhaps the constitution ought to be taken apart, examined closely and perhaps altered a bit. My part of the world could have been considered a colony 100 years ago, but now it is a viable economic entity of its own. The people there feel that the ground rules may well need to be changed somewhat in the second 100 years of their participation in confederation. Theirs are legitimate hopes and aspirations.

Knowing that the fight against inflation will take a long time, I was personally disappointed that the Minister of Finance could not see his way to adding something for our older people by way of old age supplements.

Mr. Knowles (Winnipeg North Centre): Hear, hear.

Mr. Osler: I still hope we can persuade him to do so. By saying that, I am not suggesting he is not genuinely attempting to fight inflation and that this government is not genuinely attempting to overcome the problems of regional disparity. I, therefore, suggest that it is too bad this motion was brought before the House in its present form, because it smacks of politics when dealing with a very serious matter that a lot of people are thinking about a lot of the time. They are thinking about it as seriously as they can.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, I wonder if the hon. member will permit a question?

Mr. Speaker: Order, please. A question cannot be asked of the hon. member at the present time unless there is unanimous consent. The hon. member has gone beyond his time. Is there agreement?

Some hon. Members: Agreed.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, I listened very intently to the hon. member and tried to discover something worth while in his speech. He mentioned something about unemployment. May I ask the hon. gentleman whether he thinks the government feels that unemployment is just a dirty rumour started by a lot of people who are out of work?

Mr. Osler: Mr. Speaker, I am glad the hon. member asked that question, because it is obvious he did not pay much attention to me. I used facts and figures ad nauseam. I do not like using them but I used them ad nauseam to illustrate that we have a very serious unemployment situation that, to my mind, is unacceptable. We have had it for too many years and there must be great stress in cleaning up this unemployment permanently so that our people are not put into that position again. I was trying to say that our problems of lasting unemployment are not the same as the problems involved with the question of inflation. I felt it was somewhat naive to refer to the two matters together in one motion.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Before the next participant in the debate is recognized, may I take this opportunity to make an announcement to the House that, according to the Standing Orders, ought to have been made a little earlier. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North (Mr. Orlikow)—Indian Affairs—discontinuance of school lunch program; the hon. member for Simcoe North (Mr. Rynard)—Pollution—air—establishment of national scientific centre; the hon. member for Elgin (Mr. Stafford)—Administration of justice—suggested salary increase for federally appointed judges.

• (5:30 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—CREATION OF UNEMPLOYMENT BY ANTI-INFLATION POLICIES

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, at the beginning of the present debate, the Leader of the Opposition (Mr. Stanfield) introduced the following motion:

> That this House condemns the government's arrogant acceptance of recession-level unemployment in slow-growth areas of Canada and cost-of-living hardships generally while dogmatically continuing discredited policies that have failed to put the national economy on a non-inflationary upward course.

Mr. Speaker, as the representative in the House of an area where unemployment exists on a permanent basis, partly because of the stubbornness of the Minister of Regional Eco-

nomic Expansion (Mr. Marchand) who refuses to be fair to the Saint-Hyacinthe area and because of the opposition to progress and lack of imagination of the ministers responsible for the situation we are now facing, it was a pleasure for me to second the motion. I wanted to make a few comments anyway and take part in the debate which aims at improving the situation for those who, momentarily and often permanently, are affected by unemployment.

Unemployment can eradicate understanding within a family as well as its well-being. It creates worry and fear for the future.

It affects not only heads of families but also young people. It is a source of concern and confusion for them. On the occasion of a study made by the JOC, the national president of that organization, Mr. Henri-Paul Labonté, granted an interview to the press during which he stated, and I quote:

"The naked truth is that young people have to wait to get married because there is no work in sight for them."

"The truth is that young people are broken after six months, a year out of work. There are the "disgusted ones" in Drummondville who have nothing better to do than to play pool, to go to the tavern. They no longer look for a job. They do not feel like it any more."

And here is how he concluded his interview:

"For us,...unemployment is a "bleeding hole" in our flesh, a leak draining the hope and wealth of 60,000 of us, a breach in our faith in the nation".

In my opinion, the government should take note of these remarks, which are certainly similar to those of a great number of young people, and use every possible means to stop unemployment before irreparable harm is done.

I regret the absence of several Liberal members who slip away from the House when a subject as important as unemployment is discussed here. There can be no doubt that what is going on in the province of Quebec explains why these Quebec members who should also be concerned with unemployment have chosen to go and help Mr. Bourassa who is seeking to become the Premier of Quebec. But I believe their efforts will fail, because I am confident people of Quebec will see through them.

The purpose of the present debate is not to examine the results of the election campaign being conducted in the province of Quebec, but to consider the problem of unemployment. It is a paradox, Mr. Speaker, to find that a political party which promised during the 1968 compaign to create a "just society" throughout Canada should be the very same to take action liable to create unemployment. The people of Canada would have been justified in expecting another treatment from government members who seem to be implementing methods which can only result in depriving Canadian workers of the jobs they so badly need.

No wonder, therefore, that the Canadian people are disillusioned after being swept off their feet in the last election and for not having learned from past experience which, as the old saying goes, foreshadows the future.

Mr. Speaker, since the country needs to be developed, the government should set up programs likely to give a new impetus to the economy instead of implementing restrictive measures.

Has a government which really has the welfare of the people at heart, ever been seen to take steps with a view to slowing down development? Yet, this is what is doing in 1970 the Liberal government which has always claimed to be a saviour and a promoter of welfare, and promised heaven on earth. The present government does its best to check development. I find that very difficult to understand and I shall certainly never be able to convince government members to do something other than to follow the course they have set for themselves.

The government claims that people must be thrown out of work in order to stop inflation. That is also very difficult to understand. If the Prime Minister (Mr. Trudeau), who was often asked to say what rate of unemployment would enable the government to maintain its present administration, had wanted to give an answer, it might be possible to explain the attitude of the government. But whenever members of the opposition have tried to obtain information on the policy of the government as regards the rate of unemployment required to check inflation, they have come up against stubborn silence and unqualifiable arrogance, all this to the detriment of the general public.

• (5:40 p.m.)

It might be interesting to know what some people have to say about the government's policy. I shall not borrow any evidence from the Conservatives, but I shall quote the words of someone who once was Secretary of State in the cabinet of the Right Hon. Lester B.

Pearson and who therefore was a colleague of several present ministers in the Trudeau government.

Here is what Hon. Maurice Lamontagne had to say, as reported in *Montréal-Matin*, on Friday April 3, 1970:

> The lack of realism of Benson's last budget, Mr. Lamontagne said, the restraints imposed on credit especially on durable goods, will contribute to increase unemployment without curtailing price increases, or if the restraints work, it will be at an inhuman social cost.

That was uttered by a Liberal. The quotation goes on:

> The net result of Benson's last budget, the Liberal senator said, will be that the poor will become so poor, and the weak so weak, that the rich and the powerful will no longer be able to exploit them any further by marking up their prices.

A little further Senator Lamontagne said:

> I do not hesitate to say that to apply monetary and fiscal policies aiming at discouraging demand is a roundabout, awkward and ineffective method of fighting, as far as demand is concerned, an inflation due to permanent structural causes.

As reported on page 14 of its brief submitted last February, the C.N.T.U. had this to say:

> The C.N.T.U. believes that the most serious problem now facing Canada is the problem of unemployment, of regional economic disparities and social inequities. The fight against unemployment and not inflation is the top priority, even though it is in the best interests of Canada to make every effort in order to keep price increases within limits compatible with its competitive position on the international markets.

Those two testimonies blame the government for taking an unrealistic attitude in establishing our national priorities.

I would also like to say a few words about the creation of 100,000 jobs as promised by Mr. Bourassa to Quebec electors. I would like to know where he will find the money to carry out that promise. When he claims that with a Liberal premier in Quebec, there would be no more unemployment, does Mr. Bourassa mean that the federal government is ready to co-operate with a Liberal provincial government, but not with another?

In my opinion, it is quite easy to answer that question.

Perhaps I should not elaborate further on this point as you may be trying to indicate from your frown that I am not in order.

Mr. Guay (St. Boniface): Mr. Speaker, may I ask the hon. member a question?

Mr. Ricard: Mr. Speaker, I would like the hon. member for St. Boniface to reserve his question until I am through with my remarks and I will be pleased to answer it then.

Mr. Guay (St. Boniface): Mr. Speaker, the reason—

Mr. Speaker: Order, please. The hon. member for St. Hyacinthe has the floor just for another few minutes. I think that in all fairness he should be allowed to complete his remarks.

Mr. Guay (St. Boniface): Mr. Speaker, the reason why I would like to put my question now is that my hon. friend seems to be venturing into politics—

Mr. Speaker: Order. I remind the hon. member that the member for Saint-Hyacinthe has the floor and suggest that he let him finish his comments.

Mr. Ricard: Mr. Speaker, I think the remark of my hon. friend from St. Boniface is childish. He says that I am venturing into politics. It is difficult to do otherwise in the House. I believe every member is here because he got into politics and we must keep at it if we want to stay in Parliament.

Mr. Speaker, everyone wonders who is to blame for unemployment. Is it the provincial government or the federal government?

I well recall that, when our party was in power, from 1957 to 1963, the Liberals who were then sitting on this side of the House, had shown clearly and categorically that unemployment was the responsibility of the central government. It is therefore surprising to find today that the same people would like to convince the Canadian people, and particularly the people of Quebec, that it is not the central government but the provincial government that is responsible.

I admit that this may be quite fair for the Prime Minister's delegate, who is travelling through Quebec trying to get himself elected, and that it may also be quite fair for him to try and convince the people of Quebec that this is so, but the facts being what they are, one must recognize that the central government must bear a very large part of the responsibility when it comes to finding ways to prevent unemployment and jobs for those who wish to work.

In an article published on April 20, 1970, in *Le Devoir*, Mr. Claude Lemelin asks the following question:

> Who bears the responsibility for unemployment?

The article reads in part as follows, and I quote:

• (5:50 p.m.)

Who is responsible for unemployment? Who can check it? Ottawa or Quebec?

Mr. Jean Pellerin stated last Friday that unemployment is "a continental phenomenon that no single effort can counteract to a worthwhile extent". According to the editorial writer of *La Presse*, nobody, so to speak, is to blame for the increased unemployment. This shows a somewhat surprising indulgence for the former members of *Cité Libre*—more especially as, according to the Minister of Finance himself, the central government expected its deflationary policies to curtail an increasing number of jobs.

Mr. Speaker: I regret to interrupt the hon. member, but I must remind him that his time has expired. He can only continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Ricard: I thank you, Mr. Speaker, and also the members opposite.

In conclusion, Mr. Lemelin said, and I quote:

After all, were Ottawa following at this time a policy of full employment, the rate of unemployment would probably reach 6 per cent at the most in the province of Quebec. Now, at mid-March, 9.2 per cent of the Quebec labour force were unemployed. It is, therefore, difficult not to blame the Trudeau government for the unemployment of approximately 90,000 Quebecers—namely 4.0 per cent of the labour force.

This is a tremendous figure. And, under the circumstances, this is equivalent to brinkmanship.

During this debate, several government members only criticized and found rather strange that the opposition took advantage of this day allocated to them to discuss the matter of unemployment and place the responsibility on the government.

According to the Liberal government, which takes the responsibility for unemployment, the opposition should do nothing that may incur blame. Now, it is the duty of any opposition which has the welfare of the Canadian people at heart to seize every opportunity to criticize the policy or lack of policy of the government. It is a mainly constructive criticism which, we hope, will shake the government a little out of the inertness in which it is wallowing at the moment, for the misfortune of the unemployed.

One has to know several families suffering from unemployment to realize to what extent the government must make every effort to bring forth solutions likely to provide jobs for those willing to work.

[Mr. Ricard.]

Talking with a mother who cannot clothe and feed her children and trying to comfort such a family is distressing. Even if it were to cost the Canadian people a few dollars to do away with that curse, I doubt that the government would be blamed by the people. But, on the contrary, if unemployment persists, it will harm not only the families concerned but national unity.

I urge the government to use every possible means to put an end to the curse of unemployment, so that those families that are now in dire straits can again live normally as they are entitled to.

Mr. Guay (St. Boniface): Before the member for Saint-Hyacinthe closes his remarks, I should like to put the following question to him: What would you suggest to the government, what is your policy, and that of your party—

Mr. Speaker: Order! The hon. member knows that he must speak to the Chair and that he cannot ask his questions directly to the hon. member for Saint-Hyacinthe.

Mr. Guay (St. Boniface): Mr. Speaker, I should like to ask the hon. member for Saint-Hyacinthe what he thinks, what is his policy and what solutions he has in mind in order, as he said himself, to curb inflation. I should like to point out to the House that the opposition never made any concrete proposals to us—

Mr. Speaker: In that case, the hon. member cannot make a speech. He can ask a question only provided he has the unanimous consent of the House, since the time allowed the hon. member for Saint-Hyacinthe has expired. The question being asked, the hon. member could perhaps give a concise answer.

Mr. Ricard: Yes, in a few minutes only, Mr. Speaker. As a quick solution, I should ask the hon. member for Saint-Boniface first to exert pressures on the Prime Minister so as to have him limit his own staff instead of expanding it, and reduce also the extravagant expenditures going on in some departments, for office furnishings for instance and finally to reconsider the establishment of Information Canada. That agency is getting ready to squander money and if the hon. member would only agree to exert such pressures, I believe the unemployed would be most grateful to him.

[*English*]

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

Mr. Speaker: Order. It being six o'clock, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in taking part in this debate on the motion introduced by the official opposition, I can only start by saying that it is up to the people to decide whether we can live with inflation or unemployment. Having listened to the Minister of Finance (Mr. Benson) this afternoon and to the Prime Minister (Mr. Trudeau) who has spoken in the House on numerous occasions on this subject, it is clear to me that they believe it is for the people to choose either inflation or unemployment. The Prime Minister has stated so categorically. He has made it clear that the government is prepared to accept a high level of unemployment, and in fact appears to encourage it, in the interest of fighting inflation.

The Minister of Manpower and Immigration (Mr. MacEachen) admitted that unemployment is at the crisis level. Cornwall, Ontario, has been described as the most job-depressed city in Canada. Plant closures have resulted in an unemployment level of 30 per cent. It is little wonder that the opposition wanted to know what the government planned to do about the crisis in Cornwall. A question directed to the Minister of Regional Economic Expansion (Mr. Marchand) seemed an appropriate place to start. The minister did not seem to think so. He wondered out loud why the opposition was so concerned about Cornwall. "If it is unemployment you are worried about", he said, "I can point to many other cities in Canada where unemployment is more serious". We have known this for some time, but this is the first time the government has admitted it.

This afternoon data was produced by members of the House concerning the level of unemployment across Canada. In fact, in Saskatchewan—excluding the farm situation —unemployment is in excess of 12 per cent. This does not appear in DBS figures, but it is the situation that exists. As I listened to the Minister of Finance this afternoon and heard how the government plans to help Canadians survive inflation, by causing unemployment, I was reminded of the story of a man who was training his horse to live without food. He had just succeeded when the horse died. I suggest to the House that this is exactly the attitude the government is taking. That is why the motion introduced by the official opposition is quite in order. We in this party have no hesitation in supporting it 100 per cent.

The Prime Minister is putting great stress on the position taken by the economists—a position which I find incredible. I think it is only right that one should look, for an example, to countries other than our own to support one's argument, particularly in view of the fact that economists have different points of view on how to combat inflation and cope with unemployment. I could think of no better place to look than in a publication put out by Loeb, Rhoades and Co., a member of the New York Stock Exchange, which certainly is not recognized as being left of centre. In it there are "Fables For Our Time," and I quote:

• (8:10 p.m.)

There had been no open season for many a year, and the deer had multiplied in profusion. In their search for food they had forayed into the fields surrounding the woods in ever increasing numbers and had become quite a nuisance to the farmers. So the villagers called a council and decided to organize a great hunt. They were an impressive, even frightening sight as they approached the woods in their resplendent outfits, armed with threatening weapons of varying sizes and exhorting each other loudly to mighty deeds of destruction. But, alas, years of inexperience in this specific pursuit had somewhat blunted the acuity of their vision and their aim, and the deer had become strong, stealthy and more fleet footed than ever. So when a temporary halt was called after quite a while for a tally, the hunters had nothing to show for their strenuous efforts but three dead cows and several maimed hunters. "This is quite a bag," proclaimed one of the villagers; "perhaps we had better call it a day." "But we have not even sighted our quarry," objected another.

That reminds me of the Prices and Incomes Commission.

"Silly boy," replied a third who was held in particular esteem by his fellow citizens for having attended the University of Chicago. "We have given those deer a terrible scare, and every fool knows that after a somewhat indeterminate time lag they will just lie down and die. As a matter of fact, considering how we have scared each other, we may have already overdone it. Perhaps we had better throw them some hay lest they become as extinct as common sense economics."

This fable is characteristic of the situation now being faced by the Canadian people. Is the government going to tell the people who

are without work, and the communities in slow-growth areas where unemployment is rife, where families without income are faced with daily increases in the cost of living, that all is right with the world? These are the people who really have to pay grocery bills, dry goods bills and all the other bills incurred by a household. I believe that in saying unemployment is not all that bad the government is doing a disservice to the country, to the people it is supposed to represent.

The forgotten people of this country are those on fixed incomes and those who have low pensions. But these people count, Mr. Speaker. However, the government has no communication with them and thus cannot find out what unemployment and inflation are all about. What is the point in proclaiming victory in the fight against inflation if all that has happened so far is that unemployment is up and prices are rising? The government looks upon poverty with no degree of concern whatsoever. When the government talks about poverty it is nothing but pious prattle. We must ask ourselves, what is poverty? What does it do to the people who experience it? What can those living in poverty do for themselves? What can we do about poverty? How can we see that something is done? Is living with unemployment the answer? Anybody with a sense of economics must know that the government cannot solve the problem by creating more unemployment.

I am sure the government will go down in history as the one that methodically and deliberately created a recession in 1970 as a means of solving the problem of inflation. This policy must be rejected. The motion before this House is quite valid in so far as it is a proper criticism of the government. As the CRLA brief to the government said—

> Lest these unemployed become mere statistics in a publication, it should be pointed out that in the latter months of 1969, between a quarter and one-third of those unemployed have been without work for more than four months of the year, a serious indictment of the government's record in this area.

Again, if we look at the situation of the unemployed in the rubber plants, in the agricultural industry, the auto industry, the farm machinery industry and all other industries based on agricultural production generally, we can only come to the conclusion that the government is really not concerned. If one reads the letters that some of the main financial institutions have sent to their branch managers, dealing with farm improvement loans, one can see how these institutions are using the government for their own purposes. I quote from one such letter sent to me:

> I refer to your letter of March 10 in which you enquire as to the bank's policy regarding the interest rate applied to farm improvement loans which go into default and require to be extended—
>
> As you know, last November the farm improvement loan regulations were amended with respect to the interest rate which may be charged when the terms of the loan require to be revised, and our branch managers are expected to keep this feature in mind when dealing with the individual situations where default has occurred.

Here is another reply I received:

> Where it is thought that a revision of repayment terms will enable a farmer to meet his obligations, our managers are expected to arrange the revision.

Here is another letter:

> Regarding your inquiry, in advising our branches of the recent changes in the farm improvement loans regulations, we instructed them to apply the current rate of interest when the original terms of a loan are revised.

Here is another:

> —our branches have been advised of the amendment in the farm improvement loan regulations. This permits the lender to alter or revise the rate of interest at the time a revision of repayment terms is being considered, with a view to rescheduling the original terms so that the borrower can meet his obligations without defaulting the debt.
>
> In granting such requests for a revision of terms it is our policy to do so at the rate of interest currently permissible—

Here is another letter:

> It has always been the bank's policy to revise the terms of farm improvement loans when the borrower is in default and the manager considers that such revision will enable the borrower to meet the obligation and is appropriate in the light of the borrower's financial position. The rate of interest charged by the bank in such circumstances conforms to the farm improvement loan regulations.

Questions have been asked of the Minister of Agriculture (Mr. Olson) about farm improvement loans, and invariably he has answered that the financial institutions are co-operating with the government. However, these letters give a clear indication of the intentions of these institutions, and they will not change their intentions unless the government, by regulation, forces them to remember that they are dealing with human beings. Finally, I wish to quote from a letter written by an individual who has been affected by the practices of these institutions. It reads in part:

> Thank you for your concern in writing to the various major Canadian banks.

It is of little consolation to us as individuals when the government of Canada sees to it that its "hogs" are well fed at our expense.

I believe that puts the situation exactly and in very few words. It also indicates that the government is giving no consideration to people who are not in a position to meet their obligations. If the government had any concern whatsoever for the nation, it would put some ready cash into the pockets of the farmers. Any member on the government side who suggests that through the LIFT program the government is putting money in the pockets of individual farmers is not aware of the facts: he has not gone into the country to find out the real facts.

• (8:20 p.m.)

We have heard from many people that Canada cannot sell its grain, but as recently as last night the Minister of Agriculture made it very clear that this government has no intention of trying to sell Canadian grain or to set up any type of machinery under the Canadian Wheat Board which would really help in selling Canadian produce. So far as I am concerned, the government is performing a disservice to the agricultural economy which members in all parts of this House represent.

At the same time we learned that Canada definitely could stand a merchant marine and shipbuilding industry. We had one at one time. What has the government done about this? Has it really tried to come up with a plan for a shipbuilding industry and a marine service that would mean something to Canadians generally? The answer is no. Absolutely nothing has been done about it. Yet we spend millions of dollars on frivolous matters which mean little to people who are trying to obtain employment. If we had a shipbuilding industry and marine service perhaps we would have better access to world markets. What we are doing now is supporting the so-called foreign flag service which operates in this country without regulation in so far as the Canadian government is concerned. Of course, it is pretty nice for these ships to be able to fly their flags and not be governed by our regulations, but this does not provide job opportunities for Canadians generally.

I am sure many members of the House are aware that this government intends to do very little in so far as an approach to the unemployment situation is concerned, at least in respect of the manner in which it ought to be approached. I am also sure, because of the motion now before us, that the government is suspect in the eyes of the Canadian people. I am very sure that if this government was deserving of any type of respect or support it would go out in the country in an effort to meet the people engaged in whatever occupation it may be; it would see the unemployed and the cupboards that are bare in many cases, and it would try to do something about the situation. It is a disservice, to say the least, for members of the government to sit in the House of Commons and suggest all is well and that the responsibility lies with other people.

I noticed that when the Minister of Finance spoke today he spent a lot of time talking about the Canadian Labour Congress. He suggested that the Prices and Incomes Commission was urged on the government by my party, the New Democratic Party. I am proud that this commission may have been forced on the government by my party, but I should say at the same time that this party never said that any investigation should be conducted in this country without including a study of the profit motive behind the whole situation. Prices and incomes cannot be dealt with without including the third phase, profits. At no time has a government commission been set up to review prices, incomes and profits. I hope that at the committee meeting going on this evening the chairman suggests that the profits of corporations which affect the basic needs of this country be considered. Probably his terms of reference would exclude that train of thought.

I have a feeling that the Prices and Incomes Commission is another commission set up for the express purpose of getting the government off the hook and laying the blame at labour's feet. I suggest that if the government was sincere in this respect and would look into prices, incomes and profits, labour would co-operate. To this day, however, I have seen nothing in the efforts and investigations of the Prices and Incomes Commission which would indicate to the people of Canada that the government is sincere in this regard.

I started out by saying the choice between inflation and unemployment is up to the people. This afternoon the minister suggested that the increase in unemployment is really moderate. For those people who are not unemployed the increase is moderate, but for those people who are unemployed the increase is terrific. This is an important matter which we must consider.

One member who spoke before the supper hour did not appear to be really concerned about the unemployment picture. He tried to play with the figures and say that they were seasonally adjusted. He suggested that the figures really do not mean very much. The fact remains that the unemployment situation is of major concern to those people who are unemployed, to the communities which have an unemployment problem on their hands, and to those families where the breadwinner is unable to bring in the money in order to put something in the cupboard.

I suggest that the motion of the official opposition which condemns the government's arrogant acceptance of recession is quite in order. Anyone who suggests that the government is really concerned about unemployment and inflation is playing with words and being frivolous, to say the least. I believe there is no question that if this government were deserving of support it would come up with a program to assist the people who are unemployed. I close by saying the choice is still up to the people—inflation or unemployment. If this is the choice, then this government is suspect and always will be.

Mr. Steven Otto (York East): Mr. Speaker, this is a motion to condemn the government. I am not sure I like the word "condemn"; it has a connotation of remaining in purgatory forever and ever. It requires a great deal of sin to be put into purgatory. I rue the day the government decided to adopt this policy. I disagree with it entirely.

An hon. Member: Are you with or against us tonight?

Mr. Otto: I am with the people of Canada. This is an unfortunate policy. I am really quite puzzled how this government could have become entangled in this antiquated solution to inflation. This will be the last restrictive measure ever accepted in Canada, because it just will not work. It never has worked. The thing that troubles me is that this government had the views and advice of Members of Parliament and the public in respect of various reforms. It introduced the Criminal Code amendments, the corporation amendments and the Arctic sovereignty policy. All these things took a great deal of guts and research, but the government went ahead.

Why did the government not introduce expansive rather than restrictive programs in respect of inflation? Sometimes I am inclined to believe the Prime Minister (Mr. Trudeau) has to be very cautious. When he was first elected leader of the party he suggested there was too much input by establishments, by civil servants and by the mandarins and not enough by the representatives of the public. He said he intended to be aware of this. He started out that way.

The establishment grew and his own establishment has grown also. The Leader of the Opposition (Mr. Stanfield) referred to Machiavelli. If the Prime Minister were a student of Machiavelli he would have read the chapter which states that princes and leaders need to beware of subalterns and administrators. Theoretically, they are to advise the leader of those things he should hear. But as time goes on the administrator advises the leader of those things which the leader likes to hear. In every administration the same rule holds true, and there is probably no difference here in that respect.

• (8:30 p.m.)

Now I intend to examine the issue which is really the core of this debate. If, indeed, inflation has resulted because Canadians take more out of the economy than they put into it, the choice is this: shall we take less out, or put more in? There is a difference. Shall we restrict, or shall we institute those policies which will make the economy expand? Some time ago I was questioning Dr. Young on this theory and asking him to simplify it. I asked, "If in any plant where production has increased by 10 per cent you increase wages by 7 per cent, will that increase be inflationary?" He said no, it would not be inflationary so long as the increase in production exceeded the increase in cost. There you would have more efficient production, and of course we could live with wage increases in those circumstances. Having said that, though, he admitted that he must follow the conventional thinking when making recommendations to this government on how to cure inflation. The government is not determined to create unemployment—

An hon. Member: What?

Mr. Otto: It is not determined to do anything—

An hon. Member: That's right.

Mr. Otto: —in this regard. I hear hon. members making comments. Hon. gentlemen have always enjoyed making comments. The ministers are good fellows and will not breathe a word of what I say to the cabinet or

to the government. Indeed, not too long ago when speaking in the House on the matter of the Canada Development Corporation I indicated that there is a private Canadian company of that name. I said this just about three months ago merely to see if anyone in the government ever reads *Hansard*. Some time later I told the Minister without Portfolio who is looking after the matter of the Canada Development Corporation what I had said, and in a surprised voice he said, "No, is there really?" This proves my contention that what I say here is in absolute confidence, and I invite all my colleagues on this side of the House to stand up and say what they like. In this place they can speak absolutely freely.

Let us examine tight money policy, which is a restrictive policy imposed by the government. The supposition is that if you restrict the flow of money, entrepreneurs will not be able to get as much of it and thus will reduce their costs. When I asked Mr. Bryce how we reduce costs he said, "We make labour more productive; indeed, we offer labour less money." This man is terribly far out in his thinking in today's world. Can you imagine any entrepreneur saying to his men, "Well, fellows; I can't pay you $3.70 an hour, but all those who want to work for $2.50 an hour are invited to come back." That is just nonsense.

What does a businessman do in order to stay in business? He borrows money. Money is in great demand, so he pays not 8 per cent but 14 per cent. I have records in my office showing that businessmen in a productive capacity have paid as much as 37 per cent. They have to. They have made commitments far ahead, ordered machinery and equipment, and guaranteed deliveries. A firm or business cannot restrict its operations. The minute sales fall, confidence is lost. Creditors will not lend the entrepreneur money and the bank says, "Shoo; go away." To stay in business the businessmen must continue expanding. Therefore, the issue is not whether we can restrict our economy but how we can make business and labour more productive.

It is said that in Canada we must replace about 60 per cent of our capital equipment. That is how far behind we are. That takes money. Now, the less money you have, the less credit you can obtain from the banks. The less money there is, the less you will be able to afford new equipment, and you will not be able to compete with Japanese, German and United States concerns with your antiquated equipment. It is no wonder that the CNTU published a pamphlet, which all hon. members ought to read, indicating that Canadians, as producers on a per man-hour basis, rank ninth in the world—below Italy, France, Greece and six other countries. The fault does not all lie with labour. The fault lies with management as well. I have also heard that we have one of the least efficient managerial cadres in the world. That is not surprising. After all, you cannot go to school and learn to be an executive; you learn by being an apprentice and, unfortunately, for the last 30 or 40 years those in a position to teach this skill to Canadians have been Americans. Therefore, we could not learn. I am glad the government is taking another tack on this question.

If the concept of tight money were examined today, it would be found to be absolutely unworkable. Why, therefore, was it introduced? It was introduced because Mr. Rasminsky, Mr. Bryce and gentlemen like them who now count, were the young Turks in the 1930s and were imbued with the ideas of John Maynard Keynes. They wanted to bring about great reforms but they could only act in an advisory capacity. Now, 30 years later, they are in positions of power. But they have not learned anything since the 1930s and they are instituting policies today which could be applied only to the 1930s.

An hon. Member: Shame!

Mr. Otto: That is the only reason we have some of these policies. I will not deal with unemployment at great length because other hon. gentlemen have dealt with this serious question. Unemployment now is not the same as it was 30 years ago because the Canadian people will not tolerate the conditions of old. Besides, when a person becomes unemployed he receives unemployment insurance and welfare. He lives because society today will not say to him, "Die." Society provides him with accommodation, clothing and welfare cheques. But the unemployed are not producing. Society becomes poorer because the country is producing less but is still maintaining for most of its people a standard of living which we consider decent and absolutely essential. How can anyone tell me then that unemployment is a cure to inflation? Unemployment means that there will be less production and, obviously, higher costs.

It is said that in 1969 our wages and costs increased by about 8.7 per cent. To offset that our gross national product, according to DBS, increased by 4.2 per cent, that figure being later reduced to 2.7 per cent. According to the

way United States authorities calculate increases in gross national product, we were down by .08 per cent. They do not calculate the gross national product by taking inflated sale prices and then deducting the percentage that is attributable to increases.

So perhaps our GNP increased by 2 per cent at the most, while wages and costs increased by about 8 per cent. It is all very fine to chastise the government for its lack of policy in this field, but what is the answer? I think one of the first things we must be aware of is that our production per man-hour is very poor. Tax benefits which would enable industry to junk old, antiquated equipment and to buy new equipment would be a correct sort of incentive. Perhaps the International Development Bank could be utilized and our banks could and should be forced to enter the field.

Some hon. Members: Hear, hear!

Mr. Otto: The banks ought to do what they were originally meant to do. After all, we have given the banks the privilege of setting up a branch banking system and they have an obligation to fulfil. When they were before the committee hon. members will recall that they said, "Give us a free interest rate and we will invest the money in mortgages." Instead, they reduced consumer credit because that brings 38 per cent a year, which is not bad cookies these days. Those are the avenues that should be explored. They could still be included in legislation in order to increase our production capacity.

• (8:40 p.m.)

I now wish to deal with the subject of labour. There is no reason why salaries and wages should not be tied to the increase in production, whether it is industry by industry or nationwide. I am sure that most unions would accept a proposition that in their industry, plant by plant or any other way, if they increased production by 10 per cent they would be allowed to take 8 per cent. There is another factor. You cannot deal with labour off the cuff in this way. We have one of the great evils, the strike. When the hon. member for York South (Mr. Lewis) spoke in Montreal about two years ago, he said it was time to put and end to this type of labour negotiation by stopping work. It was devised 100 years ago in the coal mines and has not been changed since.

Consider what happens when a strike is declared. Work is stopped. The man still has

to live. He draws on his savings, union fund and receives unemployment insurance. When the strike is finally settled, it takes three years to make up the amount of money lost in wages. In the meantime, because the plants are closed there is lost production. In legislation dealing with labour-management negotiations, if there is no contract it would not be a bad idea if the government took the profit made during that time. There could be a 100 per cent tax on the profit made during the time there was no contract and should have been a strike. At least the men would be working and drawing wages, and the country would receive the benefit of the production. The same applies to union dues. Surely there must be another incentive than to say to the labour force, "You have to demand what you want and then quit working," because there is a further detrimental effect.

I have been in business over 22 years. I have dealt with employees and employers. I know that when a strike is settled an awful feeling of antagonism remains for months. Because labour has not received all it wanted, it does not feel it has been treated fairly. In addition, when these men look at their bank balance they see their savings are gone. This antagonism persists for months after the strike has been settled. It results in lost production. The employees have no will to return to work. They say, "Why should we produce when those fellows wine and dine it away on credit cards? Besides, they did us dirt." That is even more detrimental than the work stoppage.

We must introduce a system by which labour-management disputes will be solved without work stoppages. Indeed, this is possible under our jurisdiction. The federal government could introduce legislation, and the provinces would follow suit, stating that contracts settling labour-management disputes for an amount more than the increase in productivity would be void. I am sure no one would object to that. It is obvious that if production increases by 2 per cent and salaries increase by 8 per cent, we have 6 per cent unemployment no matter which philosophy you use. These are the things that can and should be done.

There is a need in Canada for managerial cadre. That means setting up schools, university courses and an apprenticeship system to train our young people to make good management decisions. It is acknowledged by people that I have talked to in Canada that there is a lack of training compared with our American

and German counterparts. They admit we are not good managers. If we have inefficient management, we cannot have good labour. A short time ago we were examining witnesses from a motor company. I asked the sales manager of the company what he thought of the idea of putting an end to work stoppages in order to increase productivity. He said yes, it would increase productivity, but managers are used to selling ten months' production. He said they would not want to be faced with having to sell 12 months' production. They have geared themselves to a nice, soft, easy life. Japan, Germany and the United States to some extent are selling 12 months' production. These are the factors with which we have to deal.

There is also the question of gearing prices to the inflationary cycle. Of course, the commission is continuing to advise the Prime Minister and the government that there must be a restrictive measure. Let us not be fooled. We cannot have price and wage controls today. We have somehow tried to merge our thinking with that of the war years when there was a feeling of patriotism. At that time we were not concerned with production because 50 per cent of the production was being exploded. We had a completely different situation. The depression was barely over. Price and wage controls were effective then, but not now. Canadians would not stand for it now. It would not help the situation.

Some of the suggestions I made should at least have been studied by the commission. I have just returned from a meeting with the commission. In the last couple of months that we have been examining this question they have not changed their stand. They are set on a restrictive course—cut, cut, cut. When I asked if they thought of expansion I was told no, that was not in their sphere of reference. I said it was, but as far as they are concerned it is not.

There is the tragedy which the Leader of the Opposition referred to as a comfortable majority. There is no comfortable majority. Even those who are now employed fear they may lose their jobs. They do not know who is going to be fixed next. There has been talk of a 6.7 per cent unemployment figure. I think it is closer to 7.2 per cent. However, we do not know which seven out of 100 are going to be hit and everyone feels uneasy.

Mr. Speaker: Order, please. I am sorry to interrupt the hon. member, but his time has expired.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, it is always a pleasure to listen to the hon. member for York East (Mr. Otto). I believe he is the spokesman for the silent majority in the government. I am very impressed with how he sits over there, thinks over here but votes over there.

Some hon. Members: Hear, hear!

Mr. Alexander: I do not intend to be mean this evening. I just want the hon. member to know I appreciate that very magnificent feat because not too many of us can do it. Some members cross right over. Of course, I expect him to do that one of these days.

Mr. Otto: Don't hold your breath.

Mr. Alexander: I come from an urban area and therefore feel compelled to take part in this debate. I have reviewed some of the material that is available. Hon. members know there are reams of material. We have heard a lot of statistics this evening. I do not intend to pursue that area to any great extent.

• (8:50 p.m.)

I am impressed by the fifth annual report of the Economic Council of Canada which was issued in September, 1968. It is entitled "A Challenge of Growth and Change". Considerable emphasis was placed on the value of our human resources. The Economic Council indicated that policy decisions that year—this was written in 1968—or the next year would in many cases have their major impact over a considerable period in the future. This is what concerns me, Mr. Speaker. Notwithstanding this is the year 1970, I believe that statement could well apply this evening.

I also notice that the Economic Council in its sixth report issued in September, 1969, reiterates its belief in the value of our human resources and states:

> The greatest assets of a nation are its people... the most important resources of an economy are its human resources.

The Leader of the Opposition has a mandate to place on the Order Paper a motion drawing attention to the arrogance of this government and its dogmatic attitude, notwithstanding the fact that expertise has shown many times that it has been wrong in the policies it has pursued. I have had an opportunity of reading an important brief from the Social Planning Council of Hamilton and District, issued in March, 1970. This brief examines the area of poverty, one with which

all of us are extremely concerned. I was impressed by the first page of the introduction to this issue. Speaking about Hamilton, in particular, the council said:

> In 1969, between 15,000 and 16,000 families in metropolitan Hamilton were in poverty. Metro Hamilton is an important urban concentration, the second largest metropolitan area in Ontario, the most populous province. The problems of the Hamilton area are worthy of consideration because in Hamilton we have a modern industrial economic base. This is the steel centre of Canada. It is an area of a high level of economic activity. And it is evidence that such a high level of activity, important as it is, is not by itself the total solution to the problems of poverty. Other areas suffer from a poverty related to economic underdevelopment, a poverty of the past. The poverty existing in Hamilton is the poverty of a modern industrial city, the kind of poverty we can expect in other areas that are in the process of beginning to industrialize. Unless appropriate measures are taken to end poverty, ours is the poverty of the future, the poverty of a developed region.

When we talk about 15,000 or 16,000 families, would I be wrong in relating such a figure to 45,000 people? So the policies of the government designed to fight inflation are reflected in the city of Hamilton in the situation in which 45,000 people find themselves. I was concerned about unemployment during the last election and I am concerned about it now. I am even more concerned than I was, because it seems to me no headway has been made in improving the quality of life experienced by many Canadians. Instead, the quality of life is deteriorating because of the callous, unsympathetic, complacent attitude which this government has constantly shown.

Recently I read in one of the national dailies something which is very significant because it is possibly an indication of the government's intentions. I read that employable welfare cases have increased by 40 per cent since March, 1969, in metropolitan Toronto. This is attributed to recent unemployment stemming from government anti-inflationary policies. One can conclude that figures of this kind are applicable to municipalities, towns and villages across the country in proportion to their population. No wonder the Minister of National Health and Welfare (Mr. Munro) wanted $1 billion in addition to the $3.5 billion he receives now. Perhaps he knows that the policy of the government in creating unemployment means it is saying: Line up at the welfare offices if there is room, and if there is no room there line up at the unemployment offices.

An hon. Member: Or the soup kitchens.

[Mr. Alexander.]

Mr. Alexander: Or the soup kitchens. Do we not realize that when people are spending their time at welfare offices and employment offices, receiving much less than ordinary endeavour and initiative would bring them, the environmental malaise, particularly in urban areas, is drastically increased? I am thinking about drug addiction, suicide, alcoholism, juvenile delinquency, marital discord and all the other social ills and problems which are complementary to the urban expansion. What concerns me is that the urban explosion in terms of increasing population is accelerating daily. Yet the government tells us the proper thing to do is create unemployment, although the administration is pursuing policies which, according to real experts, are unwarranted.

This reckless complacency on the part of the government adds to the frustration, the anxiety and the suffering of those who are at the bottom of the economic ladder. It appears to me that the policy of the government is designed to find out how best to confuse, how best to frustrate the people of Canada. Look at our first citizens, the Indians. They have no hope, they have no faith in this government. Look at the farmers. I am not a farmer, but surely the government is in trouble—

An hon. Member: Both east and west.

Mr. Alexander: —both east and west. As far as the fishermen are concerned, I can say the same thing. What about the old age pensioners, all those who are living on fixed incomes, those who because of a lack of wherewithal or the necessary training in an age of accelerated technological advance have been unable to keep pace? They are being strangled economically. Now there is a further group amounting to about 542,000 people, the unemployed, added to this list—another 6.7 per cent added to those who are already frustrated and who have no reason for liking this government. Mr. Speaker, it seems there can hardly be anyone left after I have run down that long list of areas and people.

• (9:00 p.m.)

There is no concrete evidence to show these people that it is worth their while to continue to place their confidence in the government. There is nothing of great significance which would warrant showering the government with accolades and plugs. The cold fact is that these people are interested in the quality of life, but apparently the government is not. These people are experiencing a deteriorating

standard of living, and this makes everyone in Canada who is concerned for his fellow man very concerned. No wonder the Prime Minister (Mr. Trudeau) has given up his slogan of "the just society"; it does not mean anything any more, and as far as I am concerned it never did. It was just an election gimmick. After a year and a half he has come to the same conclusion that I have, that it is now necessary to have action, some commitment by way of deeds, instead of slogans.

The government seems to prefer to pollute our human resources and this will result inevitably in the destruction of our potential as a nation in terms both of human initiative and economic development. As a result of this attitude on the part of the government there is an increasing confrontation between adults and our youth, both of which groups are seeking work. There are some 500,000 people who are about ready to seek a place in the labour market, but as a result of the attitude taken by the government they discover a battle is going on between the adult, who requires work to bring home the necessary bread, money to pay the rent and to look after his family, and the student who desires work in order to pursue his education.

We have yet to learn of any legislation designed to widen and to improve employment prospects for those young Canadians who continuously flood the labour market. Little has been suggested to assist those already in the labour force to adjust to the changed conditions of the market resulting from technological advances, and this notwithstanding the manpower training program.

Let me again make reference to a statement made by the Economic Council of Canada. In its September, 1969, review the council states:

> Looking to the future, employment would have to grow by at least 2.5 per cent a year over the next few years, compared with 2.1 per cent in 1968, merely to match the growth in the population of working age without any allowance for an increase in participation rates. Allowing for the participation rate increase incorporated in our potential output analysis, employment would have to grow by at least 3 per cent per year to avoid the additional unemployment and somewhat faster to reduce unemployment.

The Economic Council then goes on to note, as far as our young people are concerned, that notwithstanding youth, unemployment rates are substantially lower than they were in the late 1950s and early 1960s, when the over-all rate of unemployment was very high. It goes on to emphasize:

> Nevertheless the existing high rates of unemployment among young Canadians not only represents a waste of some of our most valuable human resources and a potential source of social instability, but also partly reflect a failure on the part of our society to bring young people quickly and effectively into active participation in the economic life of our country.

The council goes on to indicate that there is, therefore, a need to develop much more effective measures to bridge the present disturbing gaps between school enrolment and productive employment, especially with very large numbers of young people emerging from the educational system. No wonder there is a revolt among our youth! Our basic institutions, such as our churches, our schools and our government are being attacked because they do not seem, to use the language of youth, really to be "with it".

Reading reports of the council over the years, the term "full employment" is continually emphasized. This phrase is coupled with a strong affirmation that it is one of the principal keys to Canada's future. Here on the council is a group of men learned in many subjects and who have been directed to advise the government. Yet the government continues to ignore solutions to the many problems that the age of Aquarius has brought to this great land of ours.

Canada is still a comparatively young country, a young and lusty nation with a vast potential for providing the good life for her citizens and for many people beyond her borders. Most, if not all of our problems could be alleviated or banished for good if a determined national effort were carried on to develop this great potential. I suggest this is what the government should do. It should develop our potential instead of creating unemployment. Certainly this policy would be much sounder and more acceptable.

If a comprehensive policy of national development were given top priority in this country, we would have the assets and the tax base required to give us all the social amenities that are necessary to sustain the world's highest standard of living. This appears so obvious in a country such as ours as to need no emphasis whatever. Yet national development has been relegated to the bottom of the list of concerns of the federal government. The government is more concerned with abortion, homosexuality—

An hon. Member: And marijuana.

Mr. Alexander: Yes, and marijuana, but I do not want to get into that subject tonight. That is another area where there will be great confrontation. Instead, we have the dismal picture of rising taxes and curtailed services. We have all sorts of gimmicks to extort more tax revenue, but no sound program to develop larger or new sources of legitimate taxation. This nation is spending millions of dollars, collecting billions in revenue, and has an export trade which is the envy of the underdeveloped nations and not a few industrialized nations. We have a high standard of living, are possessed of space, our natural and human resources are uncounted, and we are mercifully detached from the problems created by unfriendly neighbours—that is, so far. Yet with all this, and with all our achievements, affluence and potential, we must admit to an inability gainfully to employ more than 6.7 per cent of those of our people able and willing to work. I say shame!

The Prime Minister is aware of this rate of 6.7 per cent and that it is gradually increasing as a result of the policies that he and his government have set. The nation has become alarmed at seeing these figures in print, yet the Prime Minister is prepared to let them go higher. What does all this mean in terms of rates? We talk of 6.7 per cent as being what we call the actual rate, if there is such a thing. There is 10.8 unemployment in the Atlantic provinces, though if the Atlantic provinces are broken down Newfoundland shows a rate of 15.3 per cent, New Brunswick 11.8 per cent, Prince Edward Island 9.7 per cent and Nova Scotia 7.7 per cent. Our slow-growth areas are in trouble most of the time and are seeking assistance. Yet they are subjected to the callous policies of this government.

With regard to Quebec, we are all waiting. I see the whip over there so I will not get into this subject tonight, but in Quebec there is 9.7 per cent unemployment. We know what Bourassa said about that. British Columbia has 7 per cent unemployment and Ontario has 4.6 per cent. It does not matter whether you call this rate of unemployment the seasonal rate, the actual rate or the adjusted rate. The fact is that 6.7 per cent of our employable labour force in Canada is unemployed, which in terms of people means 542,000. There is no argument about that figure.

Mr. Deputy Speaker: Order.

Mr. Alexander: I was just getting started, Mr. Speaker.

[Mr. Alexander.]

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but I am afraid his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Order. I must confirm whether there is unanimous consent to allow the hon. member to continue.

Some hon. Members: Agreed.

Mr. Alexander: May I thank my colleagues for accepting the preamble I have given them so far, and I am now about to come to the meat of my remarks. There is no point in talking about seasonally adjusted rates or actual rates when discussing the effect of the government's policies. Those people who are unemployed know that the situation is drastic, that it is critical, desperate. All they want is some leadership.

I was particularly interested in the meeting between the mayors of municipalities, the provincial governments and the Prime Minister. The *Globe and Mail* for April 21 last carried the headline, "Unemployment cripples cities". I do not think the government really cares about our cities, anyway. This newspaper also indicated that major urban construction was grinding to a halt, according to Mayor Sidney Buckwold of Saskatoon. There was a serious situation so far as employment opportunities in our cities was concerned.

• (9:10 p.m.)

The *Globe and Mail* of April 14 indicates that there are no funds in Ontario or any other province to combat unemployment on the scale that was created through the monetary and fiscal policy of Ottawa in trying to battle inflation. Ontario's urban centres such as Hamilton, Toronto, Windsor, London and Kingston are hard hit and will continue to be hard hit. Cornwall was also hard hit, yet I heard the Minister of Regional Economic Expansion (Mr. Marchand) say that if we think 20 per cent unemployment is high, he knows other areas with an even higher level.

The Prime Minister has stated that increased unemployment is a very regrettable side-effect of the government's fight against inflation. That is the understatement of the year, particularly when he finds it impossible to point out just what level is unacceptable. This is what the Canadian people want to know. As long as there are 542,000 unemployed, I hope the Minister of Finance (Mr. Benson) will understand that countless numbers of people are now hoping that the axe

will not fall on them. This is the crucial point we are discussing: what is the unacceptable level of unemployment?

Mr. Coates: 6.7 per cent.

Mr. Benson: The level was higher when the Tories were in power.

Mr. Alexander: It is interesting to note that leading economists have criticized the government's policy and have stated that rising unemployment, now at a six-year high, is too big a price to pay. That is a very simple statement and it comes from very learned men. They are not my words. Leading economists say that rising unemployment is too big a price to pay. The government's policies have brought about phrases such as "threat to stability", "very dangerous", "ridiculous plans". All these are being uttered by economists to indicate that Ottawa's policies have the effect not only of reducing employment but of curbing the development of our economy as well. The challenge of growth is ever present in our minds, yet this government ignores it completely.

I conclude by quoting a portion of an article in the Toronto *Telegram* of April 21, 1970, written by Peter Thomson. It reads in part:

> While Mr. Trudeau has been criticized for the build up of his office staff and the Privy Council office he has not added the type of people who are highly qualified in the art of economic forecasting.

If a 6.7 per cent unemployment rate and a 128.9 consumer price index are any indication, the Trudeau dilemma may well become his Achilles heel.

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the no-confidence motion put today by the Official Opposition is worded in an exaggerate and partisan way, but it deals with problems that concern all Canadians, and rightly so: unemployment, inflation and the rising cost of living. Besides, the federal government is well aware of those problems. As a matter of fact, it is almost the only one to have devised a policy and brought forward remedial programs, even though it is not the only one responsible for the unemployment now prevailing and so often referred to today.

Unemployment is eroding areas—and somebody mentioned the province of Quebec a moment ago—where the lack of investments is mostly due to today's unsteady political and social climate. Investments are the key to economic progress and for the most part they must come from outside the province. Bomb threats, disorderly protest or expressions of separatist tendencies based on illusions or extreme, white-hot and blind nationalism will not attract them. They will return when the province is administered by a stable and strong government determined to stay within the Canadian Confederation which undoubtedly serves the interests of all Canadians.

Mr. Speaker, this afternoon, I listened attentively to the speech the Leader of the Opposition (Mr. Stanfield) gave to support his motion and I must confess that I was not much impressed. The Leader of the Opposition spoke only of the ill effects of unemployment and an increased cost of living for some categories of people. He confined himself to the role of a prophet of doom. In fact, he did not bring forward any solution capable of fighting inflation and reducing unemployment except that he made some general considerations on the need for closer cooperation among the federal, provincial and municipal governments.

Mr. Speaker, this shows that it is always easier to criticize and demand instantaneous cures for all economic difficulties than to suggest effective solutions to settle those problems which furthermore are not exclusive to Canada, but which more or less affect all the nations of the free world.

We are now obviously experiencing some economic problems, as are all other countries, but perhaps to a lesser degree. If all the economic sectors are willing to take pattern by the Canadian government and accept its suggestions, that is to cut prices and wages, I think that before long the conditions will be corrected and our country which has known for several years an unprecedented development, will again make headways. We will then be in a position to maintain the level of our exports, which have known an extraordinary growth during the past 10 years, totalling $14.5 billion in 1969, while maintaining competitive prices and a high productivity rate.

The Minister of Finance (Mr. Benson) also pointed out this afternoon, in a clear and concise manner, the dangers of inflation and the urgent need to fight the continuing increase in prices which threatens our economy. He also mentioned the links that do exist between inflation and the fight against unemployment.

The federal government is well aware of its responsibilities in this regard and is particularly worried about people on fixed incomes,

that is pensioners, veterans and labourers, whose income cannot increase sufficiently to allow them to face the rise in the cost of living. The government is also concerned about the owners of bonds, which, for the most part have been issued by governments.

Mr. Speaker, inflation has no place in a just society, but there are no drastic, perfect and speedy measures available to control it. There will always be those who will claim that government measures to fight inflation are too harsh or unjust. Nothing is more unfair than yielding to the extravagant requests of privileged groups and then passing on the price increases to those who are least able to bear them.

After many years of economic expansion, we are now undergoing a period of stabilization which has produced some economic slowdown. The measure of success of government policies will determine how long this period will last. We hope they do succeed, so that the restrictions can be eased as soon as possible and the Canadian economy leap forward again.

It should be underlined, in connection with the fight against inflation, that there is no conflict between the theories of those who are concerned with individuals and worried by unemployment on the one hand, and on the other the arguments of those who have only monetary stability in mind, because the primary concern should be to maintain the value of the dollar at its present level, failing which there will be difficulties and suffering far in excess of the cost of the campaign to curb inflation.

The Prices and Incomes Commission set up by the government has been very successful until today. We should commend the members for their good work and encourage them in their fight against inflation. Incidentally, this Commission recently launched a nationwide advertising campaign on this subject. It also published a table showing that salary increases since 1965 represent a true gain much lower than the apparent one. Therefore, it is essentiel to follow the advice of economists and well-informed people who affirm rightly that keeping inflationary pressures in check must remain government's first priority.

However, while it is fighting inflation with the means at its disposal and within its jurisdiction, the federal government is also aware that we must fight unemployment in the slow-growth areas, while promoting specially the establishment of new businesses or the expanding of existing ones.

[Mr. Forest.]

That is why the government has created the Department of Regional Economic Expansion which has, contrary to most others, an increased budget. And this program, which has up to now been quite successful will be even more so as the increase in production is felt. Mr. Speaker, my only regret is that the program will not be extended to my whole constituency. Despite the fears which it arouses, we hear, for instance, the opposition members complain because it is not applied in the regions they represent.

• (9:20 p.m.)

Mr. Speaker, I trust that the textile policy which will be announced in a few days, as indicated this afternoon by the Minister of Industry, Trade and Commerce (Mr. Pepin), following the representations we made about this industry, the survival of which is essential to the development of our regions, will result in rationalizing this industry and in ensuring its orderly development.

I hope that everybody will realize the seriousness of the present situation. If everyone will show good will and co-operate readily, the economic slowdown will be rapidly stopped. Moreover, if our country can remain united and strong—an essential condition—it will have a brilliant future, if we want it and if we use the means at our disposal to reach this aim.

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, today the leader of my party indicated to the unemployed of the nation this party's deep concern over the government's policies, or rather lack of policies, with respect to unemployment. It was unfortunate that the television cameras were not in the chamber so that the Canadian people could compare the contribution of the Leader of the Opposition (Mr. Stanfield) with the words uttered by the Minister of Finance (Mr. Benson), who attempted to explain the government's academic philosophy in which there is no charity. It was an example, if one were needed, of the heartless approach of the government to the problems of the unemployed.

Mr. Benson: What is the name of your book?

Mr. Coates: Mr. Speaker, the Minister of Finance, who has just made an interjection,

apparently uses as a yardstick for the degree of unemployment that the government considers acceptable the recession that was inherited by the Diefenbaker administration when it took office in 1957. To me it is amazing that the Minister of Finance does not go back further and use as a yardstick for acceptable unemployment, at least so far as the government is concerned, the days of R. B. Bennett.

Mr. Benson: You don't have to go back beyond 1961.

Mr. Coates: That is right, and what government was in office at that time? It was the Diefenbaker administration. Let me read some of the things that were written about the type of legacy it passed on to the Liberal administration in 1963. *Time* magazine said in 1962:

> In the west, a fruitful half-billion bushel wheat crop was not only harvested but partly sold, and the Prairies again rejoiced in being the bread basket to a substantial part of the world.

That is a far different story from the one we hear today. In 1962 *Canadian Business* magazine had this to say:

> A 12-nation comparison of retail price increases over the 12 months shows that Canada has been the most successful in keeping down the cost of living. The Canadian increase was just under one per cent.

That is something that could be recommended to the Minister of Finance—a cost of living increase of under 1 per cent.

> The U.S. was only a shade more. Biggest increases were in France, Holland and the U.K. where the cost of living rose by over 5 per cent. In Germany and Sweden it rose by 4 per cent.

I am sure that today Canada must lead the world with respect to increases in the cost of living. Since the Minister of Finance likes to talk about the Diefenbaker administration, here is what the Ottawa *Citizen,* not usually known as a Conservative organ, reported on December 24, 1962:

> During 1962, employment and labour income reached new highs.

That is a different story from the one we hear today about unemployment. In December, 1962, the Canadian Imperial Bank of Commerce said:

> Personal incomes have continued to expand in the wake of increased employment opportunities, higher rates of pay, and record levels of farm income.

That is a story far different from the one we hear today, but that was the legacy which the Diefenbaker administration passed on to the Liberal administration. The story we hear today is of a heartless government increasing unemployment day in and day out, placing further loads on the backs of the underprivileged and the unemployed, yet it still cannot defeat inflation. The government continues to increase the hardship and the misery of the unemployed.

• (9:30 p.m.)

Mr. Speaker, this situation reminds me of Hollywood. We should no longer be in Ottawa. We should change the name of this institution. The government is changing everything else and it might as well change the name of this place and call it Hollywood Palace. The colours there are much better. We could have technicolour and cinemascope and we could have the Prime Minister (Mr. Trudeau) as the producer, director and main actor in the great scene. As we come into the chamber he would give us rose-coloured glasses. He and the Minister of Finance would stand up, and he would say, "Look around you, all 264 of you including the Speaker, and you will see that nobody is unemployed here". Everybody here is earning $18,000 a year, and the ministers get twice as much and more. The Prime Minister has a large staff and every day he adds one or two people to it. The number now is 75 or 80 and this costs the taxpayers $880,000 a year. Pretty soon we will be in trouble with the taxpayers, we will be in trouble in this institution, I will be in trouble in my office and there may be unemployment even in the civil service.

Mr. Speaker, it is an Alice in Wonderland world in which the government lives. It is a government which pays absolutely no attention to anyone except its own members. The Prime Minister looks in the mirror, like Alice, and talks to himself. He says, "Who is the fairest one of all", and the mirror says back to him, "You are, Trudy baby". Then he comes in the House, puts on his rose-coloured glasses and cannot understand why everybody in this chamber does not wear them too. There may not be any film in my camera, Mr. Speaker, but let me tell you that the Prime Minister sees that there is film in his camera. He even trips the light fantastic with Barbra Streisand. She is Funny Girl and he is funny boy. Let me tell you that it is not funny to the 500,000 or 600,000 unemployed people in this country.

Mr. Perrault: You are speaking in the House of Commons and you should use the proper language.

Mr. Coates: The hon. member for Burnaby-Seymour (Mr. Perrault) is worried about lan-

guage. He should go to his constituency and talk to the 7 per cent who are unemployed there.

Mr. Speaker: Order, please. The hon. member should address himself to the Chair.

Mr. Coates: Mr. Speaker, I am quite willing to address myself to the Chair if the hon. member for Burnaby-Seymour will do the same. I shall abide by the rules, but I do not intend to take orders from him. I have been in this House a lot longer than he, and at the rate he is going I will be here a lot longer still. If the government which he supports continues its policies, I tell him there will be a great many changes when the next election comes around and many colleagues of the hon. member for Burnaby-Seymour will not be back, including the Minister of Finance from Kingston.

The Minister of Finance will not have a problem because even under the old pension plan he had more than $30 a week and he says that anybody in Canada can get along on $30 a week. Of course, he also has four or five television sets and he could always sell one in order to buy groceries. The sad fact is that my constituents do not have four or five television sets and many of them do not have $30 a week to live on. The way this government is carrying on, I am afraid a great many more people will not have $30 a week to live on.

Propositions have been put forward to this government time and time again by opposition members in respect of ways and means to eliminate the problems of regional economic disparity and chronic unemployment. The Prince Edward Island causeway would have generated both employment and tremendous benefits for all the people of the Atlantic area. But what has happened? The answer has been "No" in respect of the Prince Edward Island causeway. That was the answer after many millions of dollars had been spent by this government.

The Bay of Fundy tides could have been harnessed. Projects of similar magnitude have been undertaken in other areas of this nation. But when it came to the proposition of undertaking this project in the Atlantic provinces the answer was "No" to the people of that area. This project would have produced lasting power. It would have produced a legacy for this nation and not just for the Atlantic provinces. There would have been employment and a better life for the people of the Atlantic provinces. However, this government and the Prime Minister said "No".

This government says "No" to everybody in this nation. Time and time again proposals have been put forward but the answer is always the same in respect of agriculture, shipbuilding and everything else. This government continues to say "No". It is the only word in its vocabulary. It is the only word Canadians hear, except for one thing—higher taxes. The government says "Yes" every time higher taxes are mentioned.

The government says to the people of Atlantic Canada that the economists who live in their ivory towers in Ottawa will produce special programs that are incapable of being carried out, such as the development program that has been proposed for the people of Prince Edward Island. The economy of Prince Edward Island just cannot undertake the type of program this government has proposed. Indeed, if it endeavoured to do so it would be so far in debt that it would be in a worse position than the government of Newfoundland, yet the government of that province continues to go forward.

Let us face the facts. We have a Liberal government in Newfoundland, we have a Liberal government in New Brunswick, we have a Liberal government in Prince Edward Island and we have a Conservative government in Nova Soctia. When we compare the unemployment figures of the four provinces we find that in Newfoundland it is 15 3 per cent of the labour force, in New Brunswick it is 11.8 per cent, in Prince Edward Island it is 9.7 per cent, and in Nova Scotia it is 7.7 per cent. This shows the difference between a concerned and capable government and three incompetent governments which have been in office too long. In a very short time there will be just two Liberal governments in the Atlantic provinces, because the people of Prince Edward Island will show this government what they think of the development program for that province. I do not live in Prince Edward Island but I do know that much. This government does not face up to the problems of unemployment. Indeed, I cannot see where it faces up to the problem of inflation, because while it is creating unemployment all over the nation inflation continues to spiral upward.

• (9:40 p.m.)

Now we have the worst of two worlds, and unfortunately for the people of Canada we will have to live with it for another two

years. We only hope that some day when the Prime Minister looks into the mirror he will see reflected the Leader of the Opposition. Then we shall hear some good advice and tread the right road to prosperity, a road we would be treading if the Leader of the Opposition were Prime Minister today.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Perhaps I should indicate to hon. members that there is a slight difficulty as to whom the Chair should now recognize. The hon. member for Broadview (Mr. Gilbert) stands, as does the hon. member for Dauphin (Mr. Ritchie). It is not easy to decide to whom shall be given the floor at this time. Since the motion has been moved by the Leader of the Official Opposition (Mr. Stanfield), I think perhaps the hon. member for Dauphin should be given preference over the hon. member for Broadview. I do this with some hesitation because I know we shall be deprived of the fine contribution of the hon. member for Broadview. But all things being taken into account, I think the hon. member for Dauphin should be recognized at this time.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, thank you for recognizing me. I will do my utmost to permit the hon. member for Broadview (Mr. Gilbert) to say a few words. In rising to speak on this motion proposed by the Leader of the Opposition (Mr. Stanfield), it occurs to me that this is a most appropriate topic for us to deal with at this time. The Dominion Bureau of Statistics reported that at the end of March, 6.7 per cent of our labour force was unemployed. This is the highest unemployment rate we have suffered in a long time. Needless to say, Mr. Speaker, this unnecessarily high rate of unemployment is having a disastrous effect on the country.

Mr. Jack C. Weldon, a highly regarded economist, is quoted as saying that in the province of Quebec 12 per cent of the male work force is unemployed. I quote from a statement by Mr. Weldon as reported in the Toronto *Star* of April 20, 1970:

> It is very dangerous for this country when the numbers that are discontented are as large as they will be seen to be in two weeks.
>
> The government has allowed its prestige to be tied to a goal that was irrelevant and could not be achieved destroying inflation...and it has abandoned its power to attain a very important goal; a reasonably high level of employment.

In questioning the government's handling of inflation problems a wave of misgiving and mistrust is sweeping the country. Throughout the length and breadth of the country the people are seeing at first-hand that the government's anti-inflation policies are not having the effect we were led to expect. All across this troubled country, Mr. Speaker, people are seeing the real effects of the policies; they are watching their jobs disappear and they are watching the cost of living climb at a disastrous rate.

There may have been a time when the policies now being employed to combat inflation might have had the desired effect. But it is obvious that the time is not now; and it is equally obvious that the government has missed the boat. The government has waited too long to take effective measures to combat inflation and what we are witnessing today is not a war on inflation; we are watching the government wallowing in a sea of confusion and indecision. Mr. Speaker, we are in a panic situation.

Some hon. Members: Hear, hear!

Mr. Ritchie: The government is employing the measures today that it should have considered a few years ago when government policy was to allow banks and other financial institutions to expand the money supply like it was going out of style. Well, Mr. Speaker, it may be that the government was right on one point, at least: money is going out of style, all right, because it is worth less in buying power with every day that passes.

Picture the paradox of present-day Canada. Here we have a country rich in human and natural resources, we have a large and willing work force, we have a stable government—in the physical sense, that is—and we have a population comprised of energetic and forward-looking people. The only thing we lack is leadership. I would have to assume at this point in time that the people of the United States are enjoying a higher level of leadership than we in Canada are enjoying. In the U.S. inflation is declining while ours continues to rise. Interest rates are lower in the U.S. than in Canada, and their rate of unemployment is lower than ours. I am not suggesting that we should have a government that is different from the one we have, but I do suggest that we should have, and must have a higher quality of leadership.

One of the great causes of inflation, Mr. Speaker, and one that can be pinpointed with uncanny accuracy in our present dilemma is government spending of a non-productive nature. Mr. G. A. Hart, chairman and execu-

tive officer of the Bank of Montreal, said, as reported in the Toronto *Star* of April 20, 1970:

> I don't buy the argument that we are importing inflation from the United States or any other country. The root cause of this is excessive non-productive government expenditures.

While not entirely in agreement that all government spending contributes to inflation, certainly I would have to point to the enormous expansion in the goal that we as a nation have set for ourselves in the fields of health, social welfare and education. We have set some lofty goals indeed in these areas. All such services are personal services to the individual, and with the expansion of services in these fields as a result of sociological and scientific advances the ultimate and infinite varieties of services that can logically result from runaway welfare programs can put a serious strain on the gross national product. What I am saying, Mr. Speaker, is that all programs initiated in these fields should take into account the ability of the gross national product to absorb the enormous costs involved. There should, and must be logical and realistic limits to programs of this nature so as not to throw the national economy completely out of balance.

No government, and indeed no member of this Parliament, wants to place limitations on the dollar value of personal services that are made available to the individuals of this country. But it is of little solace to the individual when a government institutes welfare and other social programs with reckless abandon on the one hand and is forced at some later date to tell the country that the programs have pushed us to the brink of bankruptcy.

So much has been said in this House and around the country about the government's infamous white paper on tax reform that I will not dwell on it at length, but I would like to say that the government should scrap the white paper immediately and try to recover some measure of confidence on the part of the people.

Some hon. Members: Hear, hear!

Mr. Ritchie: The extent to which the proposed reforms would alter our economic structure and the manner in which the reforms were presented have shaken the confidence of the Canadian people. Tax reforms should be introduced and implemented gradually only after considerable study and only after the full effect of such reforms on the national economy and on the position of the individual taxpayer can be ascertained. Tax reform should not be implemented with a vicious sweep of the axe. In this age of enlightenment, surely we as a people and as a Parliament can institute necessary reforms with more finesse.

We will soon have another white paper to deal with, a white paper on social services. Needless to say, even before it is introduced the proposed white paper on social services is being viewed with suspicion and distrust. It is evident even at this point that the proposed changes in our social services structure will further burden the strained economy of the country, and the government will not be providing equal stimulus to the industrial and economic expansion that will be required to offset the increased cost of the program.

Now, Mr. Speaker, is the time for the federal government to change its monetary policy. This will help to reduce unemployment in the country by stimulating business. Now is the time for the modest lowering of our interest rates and a modest increase in the money supply. It is perhaps significant that in 1969 Canadian investments abroad increased from $135 million to $250 million. This represents a sizeable increase of capital outflow and may well be a result of the proposals contained in the white paper.

The government ought to increase the mobility of labour in the various regions and help people engaged in labour to move from one part of the country to another. Further vocational training would also be useful, as would extensive government-sponsored research into questions of what makes areas grow and what helps both individuals and the economy. This sort of program was very successfully undertaken in West Germany, where an experiment was conducted after the war. Attention was focused on those areas that might have created general economic expansion.

I also feel that we could well look at the flexible rate of exchange, which I think would constitute a considerable improvement in our economic policy. Our present exchange policies have, I think, been detrimental to our economy. The main objection to a fixed exchange rate is that it requires a country to pursue domestic policies appropriate to this end and could involve a conflict between balance of payments and dollar stability on the one hand and domestic growth and full employment on the other.

I will cut short my remarks, Mr. Speaker, to allow the hon. member for Broadview to speak.

• (9:50 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, I thank the previous speaker for his courtesy and co-operation in permitting me to participate in this debate. After listening to speeches by members of the Conservative party and the Liberal party, I am absolutely certain that the people of Canada are not concerned about whether the Conservatives had a higher rate of unemployment than the Liberals. They are concerned about the way our country is drifting at the moment. They are reminded of the slogan of the leader of the Conservative party in 1958—the great vision of the north which turned into a blackout.

An hon. Member: You had no vision.

Mr. Gilbert: In 1968 we heard the slogan of the just society, which is turning into an unjust society. It is a good thing I did not have any vision or we would probably be as badly off as was the Conservative government in 1962. I think the people of Canada are concerned with the principles set forth by the Economic Council of Canada. The council said that for Canada to have any sizeable growth required three things: full employment, with unemployment never exceeding 3 per cent, full productivity and price stability.

I wish to deal briefly with the question of full employment. What do we find today? An absolute failure with regard to the methods employed by the government. When we translate the unemployment figure of 6.7 per cent, we find it involves 542,000 people. It involves not only the workmen but the families they support. I am not the least bit interested in hearing whether the province of Nova Scotia is better off than the provinces of New Brunswick, Prince Edward Island or Newfoundland. I am not interested in hearing that because there is a Conservative government in Nova Scotia the unemployment rate is reduced in that province. We are all Canadians, Mr. Speaker.

As far as the members of the New Democratic Party are concerned, there is a 10 per cent rate of unemployment in the Maritimes, a 10 per cent rate of unemployment in Quebec and an over-all 6.7 per cent affecting all Canadians. When I think of the ineffective manpower and retraining policies of this government, when I take into consideration that 43 per cent of the labour force have less than a grade 8 education, and restrictions are imposed with regard to training these men such as the requirement of a grade 10 education to qualify for a technical course, or that young workers must be in the labour market for three years, or the absence of any training for Indians and Eskimos, the shortage of living allowances with regard to the retraining of these workers, the administrative chaos and the lack of imaginative approaches with regard to retraining in the Department of Manpower, I realize that the government is bankrupt socially and morally in this field.

I wish to direct my remarks to a particular situation in my riding. I refer to the lay-off of 600 employees at Dunlop Tire and the shutdown of that plant in my area. On March 6, which we call Black Friday, the company called the employees together and announced that they were going to shut down their plant. Prior to that, officials of the company met with provincial government officials at Queen's Park and federal government officials in Ottawa to advise them that they were closing down the plant. The members of those governments were sworn to secrecy with regard to the statement. On March 6 the employees, for the first time, received the news with stunned silence. On March 11 the employees demonstrated at Queen's Park. On March 12 they met with the Minister of Labour (Mr. Mackasey) and the Minister of Manpower and Immigration (Mr. MacEachen). Although they received a great deal of sympathy, they did not find a solution. They were told that this was a provincial problem and all the federal government could do was help them through unemployment insurance or manpower retraining.

All that the employees of Dunlop wanted was the provincial government to make a feasibility study as to whether this industry was dead or alive in Canada. They wanted economists and accountants to get together with government officials to determine the market potential, the price structure, and then determine whether the company should be shut down. Mr. Speaker, the company and the provincial government refused to do that. In fact, telegrams were sent to the Minister of Labour and the provincial minister of trade and development. To this date no reply has been received with regard to any co-operation the officials will give in undertaking a study of the feasibility of continuing this plant.

This is not an isolated experience. We have experience with regard to the shutdown of a textile plant in Cornwall, and with regard to Canadian General Electric. It appears to be a weekly occurrence. Surely the time has come when we should incorporate the principle set forth in the Freedman report whereby if a company decides to make a major change in its operations, this is a negotiable principle. The company and union officials should get together to determine whether the company should continue, and adequate notice should be given if it is not. Surely the time has come to do this. I hope the Minister of Labour will stop swinging his shillelagh at women and start thinking about the workers in Canada.

Mr. Deputy Speaker: Order. It being ten o'clock, it is my duty to inform the House that pursuant to Standing Order 58(11) the proceedings on the motion are considered to have expired.

PROCEEDINGS ON ADJOURNMENT MOTION

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

INDIAN AFFAIRS—DISCONTINUANCE OF SCHOOL LUNCH PROGRAM

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on April 15 I directed the following question to the Minister of Indian Affairs and Northern Development (Mr. Chrétien):

> Is it the policy of his department that all school lunch assistance, including lunches in public schools, milk, lunch tickets, and lunches prepared by lunch committees be discontinued as part of the government's austerity program?

Mr. Speaker ruled that my question was not in proper form. Because it is an important matter, I put it down for debate at this hour. My question arises as a result of a letter written by the district school superintendent of education in the Department of Indian Affairs and Northern Development, Gerald V. Closs. The letter is dated Manitowaning, January 26, 1970. It is addressed to the parents of children attending schools on Manitoulin Island. I quote from the letter as follows:

> All school lunch assistance will be discontinued. This includes lunches in the federal schools, milk, lunch tickets or money for high school students, and lunches prepared by lunch committees.

[Mr. Gilbert.]

> High school students on educational assistance will no longer receive travel warrants, personal or clothing assistance. Although this may create a hardship for a few people, parents will have to assist students with their family allowance cheques, if we are to have sufficient money to pay for their room and board and tuition. Parents should also know that most students away from home have more money than they really need according to the reports of our counsellors.

We must realize, Mr. Speaker, that we are here dealing with a group of people who to a large extent are on welfare a large part of the year. It is not proper to suggest that children away from home have more money than they need. To suggest that Indian parents on Manitoulin Island should begin to pay for these basic services is an indication of the social philosophy of this government.

• (10:00 p.m.)

The idea of a just society has collided with the measures which the government believes must be implemented to restrain spending. The people who will be most adversely affected by this policy of restraint are precisely those who can afford it the least, in this case the Indian people of Manitoulin Island. It may be we shall be told that this is not the general policy of the government. I hope we will. But even if this is true only of the Indian children living on Manitoulin Island, I think the situation is a disgrace. I quote from a press release issued March 4, 1970, by a group who call themselves The Voice of Manitoulin Women. It reads in part:

> The Voice of Manitoulin Women has also discovered that the elementary schools on the Manitoulin Island Indian Reserve are understaffed, and there are no remedial teachers available. There are approximately 1,000 pupils, for whom there is one librarian who has to divide her time among three schools, one of which is some five miles distant from the other two. The provincial standard is one qualified librarian for every 300 pupils.

Later, it reads:

> Parents on the reserve have been told by Indian Education Services that they must assume financial responsibility for their teenagers' high school education beyond $800 per year.

I point out that the cost of educating children in the high school on the mainland is substantially more, in the neighbourhood of $2,400 a year. The department assumes no responsibility for the extra amount and the parents will have to pay the difference amounting to $1,600 a year. Obviously this will be impossible. So in effect the department is saying to the parents on the island, "Your children cannot go to a high school on

the mainland where they could get an education which would enable them to get jobs and function within society as to other young people." I say this situation is a disgrace. It is the kind of thing which ought not to have happened. The just society is being cut back precisely in the area where it is most needed. If the reply tonight is that this is not general policy, I feel the government should change this policy affecting the children of Manitoulin Island.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I can assure the hon. member who has just spoken that this is not departmental policy. While I appreciate his concern and the note of urgency he brought to the matter, I might add that this is something of a tempest in a teapot. The report on which he based his question and his remarks tonight were merely the result of an excessive concern on the part of the district superintendent. He was concerned that he might not have sufficient funds in his budget to carry out the lunch program and other programs of the students concerned.

My information is that the letter to which my hon. friend referred was what I might call a "Dear Parents" letter that was sent by the district superintendent to the parents in regard to cutbacks in the provision of some assistance programs in education which were anticipated because of fiscal problems that the district office faced in the coming fiscal year. As I have mentioned, I think this was a justifiable exercise of concern.

Happily, the budget has proven to be such that funds have now been reallocated—at least my information is to that effect—to the Manitoulin Island district. As a result of this there will be no need to cut back this program or other programs in the area.

POLLUTION—AIR—ESTABLISHMENT OF NATIONAL SCIENTIFIC CENTRE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I have no hesitation to bringing to the attention of the federal Health Department the gravity of air pollution that is daily tightening its vise and strangling us for lack of pure air. I do not believe that the federal government realizes there has been a 700 per cent increase over the last 15 years in respiratory diseases, and that 90 per cent of this increase is in urban areas where air pollution is most severe. Neither do I believe that the government that is charged with the responsibility of handling air pollution is aware of medical evidence that points out that 50 per cent of all diseases in man are traceable at the present time to air pollution, among them bronchitis, coronary disease, emphysema and cancer. I do not believe the government realises, for example, that medical authorities and compensation boards recognize the relationship between air pollution and emphysema.

Most of this air pollution is caused by the combustion of oil and petroleum products. This produces a great deal of pollution, somewhere around 80 per cent of all air pollution that we have today. Last year in the city of Toronto there were 941 pounds of dust dumped per month on each square mile of the city. The state of New York limits the poisonous sulphur content of its fuels to .37 per cent. Ontario's limit is four to five per cent. As far as I can ascertain, no one knows what the federal government's limit is, if the federal government has one.

Let us not be told not to get panicky, that everything will be all right, when there are floating around in the air over the United States and Canada, 160 million tons of particles, and almost two billion tons of gases. Let us not get panicky when some scientist tells us that we have only another ten years to straighten things out or we will not be here. The public is getting awfully tired of our lame-duck approach to our problems.

What guidelines has the federal government laid down to date? Does it have any guidelines? How much research is it doing? What is the federal government doing to bring the provinces up to date on the research it is doing? How many meetings has the government had with its counterparts in the provinces, or is the government getting all its research from the provincial government at Queen's Park? These are questions that need answering.

A child born on the North American continent in 1946 has been inhaling the equivalent of nine cigarettes a day. The World Health Organization has stated that the maximum tolerable dose is .1 part per million in a 24-hour period. But Toronto and Ottawa run as high as 1.7 per million parts. We must remember that air pollution not only kills slowly but it can also kill quickly. I do not have time to put all the cases on the record but I should like to mention one. The most classic case was the smog pollution in London, England, which killed 4,000 people.

Proceedings on Adjournment Motion

• (10:10 p.m.)

I hope I have brought the seriousness of this situation to the attention of the Parliamentary Secretary and that he will be able to tell us exactly what the department is planning to do. We hope that they will stop playing with air pollution as if it were a toy. We are now dependent on the winds to bring in from the ocean much of the oxygen we use. We are depleting our oxygen by building roads and by construction work across Canada, by 1 per cent per year. The carbon dioxide content since 1900 has risen by 10 per cent. What a heritage we are passing on!

I would remind the government that the United States spends $480 million to combat air pollution alone. What does Canada spend? Perhaps the Parliamentary Secretary can tell me, but my figures show me that it is $300,000. If they were to spend relatively the same amount as the United States, the figure would be $48 million. How can the federal government give leadership without adequate research? Perhaps I could leave the House the solemn warning of President Johnson in the following words, "Either we stop poisoning the air or we become a nation in gas masks groping our way through the dying cities and the wilderness of ghost towns".

I hope that I have in some small way awakened this sleeping department to the gravity of the situation that is facing us today.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I appreciate very much the interest of the hon. member for Simcoe North (Mr. Rynard) in the problems of air pollution, especially as they affect health and life. At the same time I would like to reassure the hon. member that the federal authorities are not only aware of the problems of air pollution, and indeed of other forms of environmental pollution, but are very concerned about them. That is why at the present time we have before us in Parliament the Canada Water Act. That is why the Minister of National Health and Welfare (Mr. Munro) has taken additional steps within his department, asking that top priority be given to the problem of air pollution in particular so that in the shortest possible time he may present to Parliament a clean air act.

For the past 15 years various branches of the Department of National Health and Welfare have been studying this problem, and last month the minister reorganized the environmental pollution division and established a new air pollution control division under the directorship of Dr. Stanley Winthrop. More money has been assigned within the department, not only to hire personnel and to carry out additional programs which would give us a better idea of the extent and the effects of air pollution but also to co-operate with the provinces and to conduct further research in this field.

Last autumn the Minister of National Health and Welfare convened a meeting in Ottawa of experts on air pollution, which included staff of his department as well as experts from the provincial departments which deal with this problem. They have agreed on some very urgent, major problems concerning air quality, and it is hoped that within the very near future national standards will be determined.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the Parliamentary Secretary, but his time has expired.

ADMINISTRATION OF JUSTICE—SUGGESTED SALARY INCREASE FOR FEDERALLY APPOINTED JUDGES

Mr. H. E. Stafford (Elgin): Mr. Speaker, last Wednesday in this House I asked the Minister of Justice (Mr. Turner) if he was giving consideration to an increase in the salary of federally appointed judges, since the Minister of Justice of Ontario recently announced salary increases to provincial judges whereby some provincial court judges are making within $500 of the amount the federal government is paying Supreme Court judges of the provinces, and up to $4,500 more than the federal government is paying county court judges.

The federal government pays county court judges $21,000 and Supreme Court judges $26,000 per year. At the same time, the Ontario government pays the chief provincial judge $27,000, senior provincial judges $25,000, and other provincial judges—some of whom are not members of the Bar—up to $24,000. It is also a matter of interest that by August 31, 1970, the Ontario government will pay Crown attorneys in Toronto up to $29,011, and Crown attorneys outside Toronto up to $27,916.

There is no question that these increases by the Ontario government are justified. My point is that the federal government must recognize that federally appointed judges have greater and more varied responsibilities

than provincial judges and that they should be granted salary increases commensurate with their responsibilities. No serious scholar of Confederation would minimize the importance of provincial responsibility under section 92(14) of the B.N.A. Act. It is the duty of the province to administer justice and organize the workload of the courts for, as George Washington so aptly put it, "The administration of justice is the firmest pillar of government."

The responsibility of the federal government under sections 96, 99 and 100 is equally clear. Lord Atkin referred to these sections in the case of *Toronto Corporation v. York* as "Three principal pillars of justice"—"not to be undermined": these are the appointment of judges by the Governor General, the security of judicial tenure, and the provision and fixing of judicial salaries by the Parliament of Canada. I doubt if many people, including the members of the legal profession, have a real conception of the exacting and demanding duties of our federally appointed judges. Want of time prevents my dwelling at length on the subject. I would point out, however, that they must be familiar with the whole compass of the common law and statute law; they must have a solid working knowledge of all matters falling into legal and equitable jurisdictions.

It is neither my duty nor my desire to enumerate all the matters with which they must struggle. It is sufficient to point out that they must have an extensive and accurate knowledge of the rules of practice, as well as the principles applicable to matters such as bankruptcy, injunctions, libel and slander, interpretation of wills, construction of statutes, criminal law, municipal law, real property, mortgages, mechanics liens, matrimonial causes, corporate law, constitutional law, civil rights, contracts, torts, taxation and many other divisions of the law. I make bold to suggest that we have placed an unduly heavy and oppressive load on our judges. It is worth while to note that in England the work of the court is divided into three branches: equity, the Queen's Bench, and the probate and divorce division. Not so in Canada. We expect our judges to be qualified to do justice in all branches of the law.

Further, the changes in the texture of our society and in our social attitudes, and the constant changes in our law have served to put greater pressures on the members of the federally appointed judiciary. An able, courageous and conscientious judge is the best guardian of our rights and liberties. Their salaries should reflect, in some measure, our trust and confidence in them and our expectations of them as human beings and as ministers of justice.

I do not wish to detract from the important and necessary work done by the chairman and members of the various commissions and boards under federal jurisdiction, but I respectfully suggest that the range and weight of the burden they bear cannot be compared to the task we have set before our federally appointed judges. I hesitate to refer to specific boards, but it is common knowledge that membership of some of them does not require professional qualifications or the constant decision-making that is the hallmark of the judiciary. Members of boards share their responsibilities and assign some of their work to staff and assistants. A judge, on the other hand, works in a solitary world with only a secretary. He cannot share the agony of his decision; it is his and his alone. Yet a comparative study leaves no doubt that our federally appointed judges are underpaid.

• (10:20 p.m.)

On occasion, something is made of the fact that our judges are entitled to a pension. This is a somewhat illusory benefit, the realities of which may be gauged by the relatively small number of federally appointed judges drawing a pension. Based on past performance, only 15 per cent of the 94 county court judges and the 37 Supreme Court judges in Ontario will live to qualify for a pension. This is partly explained by the fact that the retirement age is set by statute at 75. This is against the trend of present-day thinking and I urge that serious consideration be given to retirement upon attaining 65 or at least 70 years of age.

We tend to forget that most of our judges accept an appointment to the Bench at the moment they are embarking upon the most lucrative stage of their professional careers. Apart from the monetary sacrifice, they are restricted in their business and social activities in a way that few of us would accept, for a judge, like Caesar's wife, must be above suspicion. Fortunately for our way of life there has never been a lack of men prepared to dedicate their lives in the constant labour of maintaining our civil, religious and political liberties through the rule of law. We expect our judges to do justice to all. I suggest we do justice to them.

Proceedings on Adjournment Motion

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member for Elgin (Mr. Stafford) has as usual argued his case well. He is an eminent counsel from Ontario and has put the case before Your Honour very well. I am sorry the Minister of Justice (Mr. Turner) was not able to be here on this occasion, but I know tomorrow he will read in *Hansard* with interest the remarks of my learned friend. The minister has asked me to reply to the hon. member for Elgin's well-reasoned argument tonight. The minister advises that he is aware that certain provincially appointed judges are now receiving salaries higher than those paid to federally appointed judges.

This situation adds to the concern he has already expressed to members of this House on several previous occasions, and more recently before the Standing Committee on Justice and Legal Affairs, to the effect that if qualified men and women are to be persuaded to take appointments to the country's senior courts, salaries will have to be competitive with those currently earned by the best lawyers in Canada. It is the minister's intention to review the salaries of judges with the government before next fall in order that government policy can be decided prior to introduction of the annual amendments to the Judges Act next fall.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Wednesday, April 29, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Tenth report of Standing Committee on Justice and Legal Affairs—Mr. Tolmie.

FISHERIES AND FORESTRY

Fourth report of Standing Committee on Fisheries and Forestry—Mr. Goode.

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

BUSINESS OF THE HOUSE

ITEMS FOR FRIDAY, MAY 1

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, for the guidance of the House I would like to indicate the intended business for Friday. It would be our intention to call as the first item of business government order No. 92, second reading of Bill C-208, with regard to the Bills of Exchange Act, to be followed by government order No. 66, the report stage of Bill C-182, to amend the Supreme Court Act.

TRANSFER OF INVESTMENT COMPANIES BILL FROM FINANCE TO JUSTICE AND LEGAL AFFAIRS COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, there have been discussions among representatives of the parties with respect to a further redistribution of the work of the Finance Committee. I believe there will be found to be agreement to the transfer of the bill with respect to investment companies from the Finance Committee, to which it was referred after second reading, to the Standing Committee on Justice and Legal Affairs. If that assumption is correct, perhaps the following could be made an order of the House:

That the provisions of the Order of the House made February 16, 1970, in relation to the reference of Bill C-179, An Act respecting investment companies, to the Standing Committee on Finance, Trade and Economic Affairs, be rescinded and that the said bill be referred to the Standing Committee on Justice and Legal Affairs.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Forrestall: On division.

Mr. McCleave: On a point of order, Mr. Speaker, may I ask the Liberal House Leader what he means by directing this bill to the Justice and Legal Affairs Committee?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. It was felt that the only committee approaching the Finance Committee in wisdom and sophistication was the Committee on Justice and Legal Affairs.

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

Mr. McCleave: I can only say that the minister has completely disarmed me, but I do not believe what he says and so I will consent to it on division.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I ask for the unanimous consent of the House to move a motion under Standing Order 43 based upon an urgent and pressing necessity.

The circumstances urging me to propose this motion arise from the widespread rejection of the Operation LIFT program and the recent statements by the Minister without Portfolio (Mr. Lang) that the program will be implemented as announced despite the rejections and submissions made by the national farm organizations and other farm groups, clearly outlining the inadequacies of the program.

It is imperative that the government take immediate steps to overcome the widespread confusion and frustration existing among western farmers, created by the contents of the Operation LIFT program. I therefore

move, under Standing Order 43, the following motion:

• (2:10 p.m.)

That as the great majority of farmers in western Canada have rejected the LIFT program, this House recommends that the government alter its proposals and bring forward new and acceptable programs to meet the urgent and desperate situation of western agriculture.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Vegreville under Standing Order 43. It requires the unanimous agreement of the House. Is there agreement?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity the motion cannot be put.

Mr. Diefenbaker: This shows the scandalous disregard for the farmers of western Canada.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

EFFECT OF JUMBO JETS ON POLLUTION, HEALTH AND WEATHER

Question No. 462—**Mrs. MacInnis:**

What studies have been made or are being made in preparation for the jumbo jets now in prospect, particularly on (a) the additional pollution of the atmosphere which they will cause and its effects on people living in the vicinity of the airports (b) the hazards to hearing and to nervous health occasioned by their flights (c) the effects on cloud cover and weather generally?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): (a) No specific studies have been done or are being done at present by the Federal Government on the pollution of the atmosphere by jumbo jets and its effects on people living in that vicinity of airports.

The Department of Transport has advised that there is not likely to be an increase in pollution with the jumbo jets as fewer jets are expected to be flying, at least until the passenger travel increases considerably. In addition, new combustors for jet engines which reduce visible exhaust pollution have been given a safety approval by the U.S. Federal Aviation Administration.

[Mr. Mazankowski.]

In a report on the Air Quality Survey in the vicinity of the Toronto International Airport, measurements did not implicate aircraft activity during the period November 1968 to November 1969 as a major cause of pollution at ground level in either Etobicoke or Peel County.

The Health effects of such pollution on people living in the vicinity of the airports, it is expected, would be the same as pollution from motor vehicles and power plants as essentially the same pollutants are emitted.

(b) No specific studies have been done or are being done at present by the Federal Government concerning hazards to hearing and nervous health in preparation for the jumbo jets. The Department of Transport is monitoring noise levels at Toronto and Montreal International Airports.

Manufacturers, operators (airlines) and Government aviation officials have advised that the noise will be no greater for jumbo jets, e.g. Boeing 747 than the current jet aircraft such as the DC8, Boeing 707, etc.

To this might be added, for information, that at the International Civil Aviation Organization Special Meeting on Aircraft Noise in the Vicinity of Aerodromes, Montreal, 25 November-17 December 1969, it was concluded that a study of this problem would be complex, costly and require a long study period. Accordingly the following recommendation was developed:

"Recommendation 2/1—Research on the effects on human health of aircraft noise exposure in the vicinity of aerodromes:

That (a) it be acknowledged that aircraft noise exposure in the vicinity of aerodromes has not been demonstrated as being harmful to health or hearing and that evidence which might so identify it would be unlikely to come from other than long-range studies which, to the knowledge of the Meeting, have not yet been concluded; and therefore (b) selected States and International Organizations, including the World Health Organization, should be requested to actively pursue, and collaborate in, medical and psychological research on the effects on man of long-term exposure to noise such as occurs in the vicinity of aerodromes.

(c) It is believed that the additional amount of combustion products released by the jumbo jet aircraft will be small and therefore no studies have been made on effects on cloud cover and weather generally.

P.E.I.—MANPOWER OFFICE PLACEMENTS

Question No. 1,436—**Mr. MacDonald (Egmont):**

1. In the years 1966, 1967, 1968 and 1969, how many people were placed in employment by the Canada Manpower Offices in Summerside and Charlottetown, Prince Edward Island?

2. Since 1966, by year, what is the number of staff employed in Charlottetown and Summerside in Canada Manpower Offices?

3. Since 1966, by year, what was the total cost of operating these two offices?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Reply for the Department of Manpower and Immigration: 1.

Questions

Fiscal Year	Summerside	Charlottetown
1965-66	3,049	3,013
1966-67	2,150	3,110
1967-68	1,241	2,922
1968-69	1,050	3,826*

These figures do not include placements in casual employment but they do include university placements.

2. Continuing full-time employees on strength—Canada Manpower Centres at:

Fiscal Year	Charlottetown P.E.I.	Summerside P.E.I.	St. Dunstan's University CMC Charlottetown P.E.I.
1965-66	14	11	N/A
1966-67	18	12	N/A
1967-68	21	15	N/A
1968-69	20	14	2

3. Cost of operations:

Fiscal Year	Summerside $	Charlottetown $	St. Dunstan's University CMC Charlottetown P.E.I.
1965-66	54,935.49	50,685.62	—
1966-67	73,782.00	93,678.00	—
1967-68	94,327.00	136,850.00	—
1968-69	106,215.00	154,254.00	5,770.00*

*(This centre was opened in August, 1968 and is manned by two persons on a part-time basis).

CANADA PENSION PLAN—CONTRIBUTIONS, PAYMENTS AND BALANCE

Question No. 1,517—**Mr. Alexander:**

1. What is the present balance of the Canada Pension Plan?

2. What are the yearly contributions to the Canada Pension Plan in total by all individuals and employers?

3. What are the total payments, by year, since inception, to date, to the benefit recipients of the Canada Pension Plan?

Hon. John C. Munro (Minister of National Health and Welfare): 1. $2,855,280,000 as of February 28, 1970.

2. 1969, $737,442,655.

3. 1967, $611,604; 1968, $10,407,127; 1969, $38,109,558.

*CNR—PENSION PLAN BENEFITS

Question No. 1,538—**Mr. Orlikow:**

1. Has CNR brought its pension plan into line with the Pension Benefits Standards Act and, if not, for what reason and in what respect has CNR not implemented the provisions of the Act?

2. Did CNR ask for time to upgrade its plan to conform with the legislation and, if so, by whom, for how long and under what authority?

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the answer to part 1 of the question is, yes. The answer to part 2 is, no.

*CPR—PENSION PLAN BENEFITS

Question No. 1,539—**Mr. Orlikow:**

1. Has CPR brought its pension plan into line with the Pension Benefits Standards Act and, if not, for what reason and in what respects has CPR not implemented the provisions of the Act?

2. Was CPR given time to upgrade its plan to conform with the legislation and, if so, by whom, for how long and under what authority?

3. Has CPR agreed to the proposals made by the representatives of the government and, if not, what steps are being taken to get CPR to meet the provisions of the Act?

Questions

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the answer to part 1 is as follows: No. The CPR claims that the Pension Benefits Standards Act does not apply to its pension plan. It has not been considered appropriate for the government to make public any of the details of a private pension plan. The answer to part 2 is as follows: Yes. The CPR was given until May 12, 1970 to have its plan conform with the Pension Benefits Standards Act by the Superintendent of Insurance under the authority of that act. The answer to part 3 is as follows: See answer to part 1 and 2.

ATLANTIC PROVINCES' FIRMS—INVITATIONS TO TENDER F.O.B. MONTREAL

Question No. 1,671—**Mr. MacEwan:**

1. In invitations to tender issued by the Department of Indian Affairs and Northern Development, is it the policy to specify on all tenders sent to firms in the Atlantic Provinces that the prices quoted for goods are f.o.b. Montreal, and (a) if so, for what reason (b) if not, on which occasions and for what reason do the tenders carry the stipulation?

2. Is the Department considering some method whereby bidders in the Atlantic Provinces will be placed in a more equitable position for contracts awarded f.o.b. Montreal delivery?

3. In invitations to tender, will the Department in future consider specifying prices quoted for goods as f.o.b. an Atlantic Port?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. No. (a) N/A; (b) When goods are for shipment to the Eastern Arctic; they are marshalled at and shipped from Montreal under arrangements with the Department of Transport.

2. No, as it is not considered that bidders in the Atlantic Provinces are in a different position than those in other parts of the country.

3. No, the f.o.b. port for all such shipments is prescribed by the Department of Transport.

ONTARIO—FEDERAL GOVERNMENT ASSISTANCE FOR CONSTRUCTION OF VOCATIONAL SCHOOLS

Question No. 1,751—**Mr. Serré:**

What was the federal government's contribution to the Government of Ontario and its agencies for the construction of schools for vocational training, retraining and upgrading for each year since the inception of the agreement?

[Mr. Orlikow.]

[*Translation*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration):

	$
1961-62	8,624,665
1962-63	119,357,138
1963-64	59,350,075
1964-65	16,139,952
1965-66	31,397,732
1966-67	44,289,911
1967-68	37,464,574
1968-69	9,202,128
1969-70	7,685,243

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

PERSONNEL OF STAFFS OF MINISTERS OF THE CROWN

Question No. 336—**Mr. Crouse:**

1. What are the names of the executive assistants, special assistants, administrative assistants, executive secretaries, and all the ministerial aides serving on the staffs of Ministers of the Crown?

2 How many of these appointments were filled by the Public Service Commission?

3. When were these people appointed, under what authority, and what are their salaries per annum?

4. In addition to the above, have any further such positions been established, but are at present vacant and, if so, what are they and what is the salary offered per annum?

Return tabled.

CMHC—FUNDS MADE AVAILABLE TO QUEBEC HOUSING CORPORATION

Question No. 1,441—**Mr. Lambert (Bellechasse):**

1. How much money was made available to the Quebec Housing Corporation by Central Mortgage and Housing Corporation for each year 1966-67, 1967-68, 1968-69, 1969-70?

2. Of these sums, what were the amounts used for construction of homes for the aged in the same years?

Return tabled.

NATIONAL HEALTH AND WELFARE—TRAVELLING SPORT DEMONSTRATION

Question No. 1,481—**Mr. MacDonald (Egmont):**

1. Is there a travelling sports demonstration commissioned by the Department of Health and Welfare and, if so (a) who are the members of this demonstration (b) how were they selected (c) where will they be performing and on what dates?

2. Did they receive invitations or how was their itinerary drawn up?

3. What is the cost of this demonstration and who will contribute to these expenses?

4. What is the purpose of this demonstration?
5. How will its effectiveness be evaluated?

Return tabled.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you kindly call notices of motions Nos. 387, 437 and 438?

I ask, Mr. Speaker, that the remaining notice of motions be allowed to stand.

[*English*]

VIET NAM—CORRESPONDENCE FROM MRS. CLAIR CULHANE AND DR. ALJE VENEMMA

Motion No. 387—**Mr. MacDonald (Egmont):**

That an Order of the House do issue for a copy of all correspondance with and reports to the Prime Minister, Secretary of State for External Affairs and the Canadian International Development Agency from Mrs. Clair Culhane and Dr. Alje Venemma with respect to their observations concerning Canada's involvement in foreign aid to Vietnam, possible misuse of Canadian aid and reported atrocities.

An hon. Member: Stand.

Mr. Speaker: Stand.

MAIL TRANSPORT, MONTREAL—BRIEF BY PIERRE BRETON TO GOLDENBERG COMMISSION

Motion No. 437—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the brief submitted by Pierre Breton of the G. Lapalme Inc. to the H. Carl Goldenberg Commission of Inquiry into Mail Transport in Montreal.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by Mr. Goldenberg that the brief was prepared by Mr. Pierre Breton in a private capacity with the assurance that it would be treated as confidential. In view of this trust the hon. member will agree to withdraw his motion.

Mr. Orlikow: Agreed.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

MONTREAL MAIL TRANSPORT—BRIEFS, ETC., TO GOLDENBERG COMMISSION

Motion No. 438—**Mr. Orlikow:**

That an Order of the House do issue for a copy of all memoranda, correspondence, briefs, tables and submissions presented to the Commission of Inquiry into Mail Transport in Montreal.

Motions for Papers

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by Mr. Goldenberg that no papers or briefs were submitted to the commission at public hearings as none were held. Two papers were received from parties on a private basis on the understanding that they would be treated as confidential. In view of this I trust the hon. member will agree to withdraw this motion.

Mr. Orlikow: Transfer for debate.

Mr. Speaker: Transferred for debate.

Mr. McCleave: Mr. Speaker, I rise on a point of order which I believe affects all members of the House. We have had two cases in a row where there has been a reservation of public documentation because people have felt they could make submissions without having their submissions presented to the House. I think that is wrong because the result of the agreement reached between the private individual who presents a brief or the like and somebody outside the House is that members are debarred from seeing the document.

Mr. Speaker: With respect, I suggest to the hon. member that this is hardly a point of order. I think this would be the very point which would be debated if the minister, for good or other reasons, refused to table the documents. The member who put the motion, in this case the hon. member for Winnipeg North, then has the option to ask that the motion be transferred for debate.

Mr. McCleave: Surely this is a question of privilege affecting all members of the House.

Mr. Orlikow: Mr. Speaker, I do not, of course, accept the argument which has been put forward by the government. I have expressed my opinion before that there is too much secrecy. I ask that this motion be transferred for debate.

Mr. Speaker: Transferred for debate. Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

FINANCE

STOCK MARKET DECLINE—ANTI-INFLATION POLICY—CONSUMER CREDIT REGULATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to direct a question to the

Minister of Finance. Have the sharp declines on Canadian and foreign stock exchanges—I refer particularly to yesterday—caused the minister to conduct a review of the government's policy of slowing down the economy? I ask this question in view of the report that these declines are due to the expectations of business regarding the future and in view of the already heavy level of unemployment in the country.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, yesterday was a day on which stock exchanges throughout the world declined. I understand the decline in the New York market was greater proportionately than that in the Canadian market. I believe it was the influence of the New York market in Canada rather than the policies of the federal government.

Mr. Stanfield: A supplementary question. I am sorry to learn that the Minister of Finance does not have any understanding of the relationships between world events and those in Canada. I ask the minister whether these events in Canada and abroad have caused the minister to conduct any consultations with his counterparts in other countries in order to ascertain what this may signify in terms of international trends?

Mr. Benson: Mr. Speaker, I have recently talked to the Secretary of the Treasury of the United States in Korea and to the Minister of Finance in Japan with regard to the economic outlook in western countries. It appears to be relatively optimistic except for the great problem in all western countries of overcoming inflation.

Mr. Stanfield: One further supplementary. It looks as if the minister might have pursued the inflationary policies of 1929. I ask the minister whether it is still—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Leader of the Opposition has the floor.

Mr. Stanfield: I apologize, Mr. Speaker, if I touched a raw nerve.

Some hon. Members: Oh, oh!

Mr. Stanfield: I ask the minister whether, despite these developments that are causing concern, based upon expectations in the business community, it is still the intention of the minister to proceed with his consumer credit regulations?

[Mr. Stanfield.]

Mr. Benson: Mr. Speaker, in 1929 I was six years old so I did not have very much influence then.

Mr. Hees: You were much smarter then.

Mr. Benson: Mr. Speaker, I answer the last part of my hon. friend's question in the affirmative.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I say to the minister that at least he is holding his own.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Hon. members seem to be in particularly good voice today, but that does not make it easy for the Chair to follow the questions and answers. The hon. member for Nanaimo-Cowichan-The Islands has the floor.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the gloomy forebodings which are coming from Wall Street and which have resulted in the President of the United States announcing that he will be making a statement on economic conditions in that country, and in view of the effect that this situation may have upon Canada, I want to ask the Minister of Finance whether the government is assessing the situation in light of these events and is planning any change in direction in the policies that the minister outlined yesterday?

Mr. Benson: Mr. Speaker, the government is, of course, continuously assessing its policies from day to day. If there were to be any change in policy it would of course, be announced in the House in the ordinary way.

STOCK MARKET DECLINE—CONSULTATIONS WITH BANKS ON CHANGING PRIME INTEREST RATE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister whether any consultations are being held by him with the governor of the Bank of Canada and the heads of the chartered banks in regard to any change in the prime interest rate, in view of the situation as reflected in the stock market drop?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I meet regularly with the governor of the Bank of Canada; as a matter of fact, I spoke to him yesterday. The prime interest rate charged by the chartered banks

is, of course, a matter for decision by the banks, not the government.

Mr. Monteith: Not any more.

Mr. Benson: However, unlike what happened under the previous Conservative government, the governor of the Bank of Canada and myself are continuously in consultation.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. Is it not the fact that the governor of the Bank of Canada always takes his cue from and follows the policy of the government of the day?

Mr. Benson: No.

GOVERNMENT ADMINISTRATION

POLICY RESPECTING SPEECHES BY GOVERNORS GENERAL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I do not propose to get into an argument over the previous question because the law has been changed—the minister has apparently forgotten—and the government now has that responsibility. The minister did not know that.

My question is directed to the right hon. Prime Minister and has to do with speeches that may be delivered from time to time by His Excellency the Governor General, the rule being, of course, that Governors General can speak only in generalities. May I ask the Prime Minister whether or not there has been any change in the traditional policy under which the Queen and her representatives, in making speeches that in any way contain material that may be of a political nature, or can be interpreted as such, can only deliver them provided they have the consent and approval of the Prime Minister? I am phrasing the question in a general way for very good reasons instead of particularizing.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, answering the question in a general way, there has been no change in policy, whatever it was, in regard to the relations between the Queen and the government.

Mr. Diefenbaker: Mr. Speaker, surely the Prime Minister knows what the rules are.

Some hon. Members: No.

Mr. Diefenbaker: Apparently he does not know any more about that subject than the Minister of Finance knows about his.

Mr. Trudeau: Mr. Speaker—

Mr. Speaker: Order, please. I doubt whether that supplementary calls for a reply. I have the impression that this was not the intention behind the supplementary question.

Mr. Hees: Mr. Speaker—

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

EXTERNAL AFFAIRS

LAKE ERIE—ARREST OF CANADIAN FISHERMEN AND SEIZURE OF TUGS BY U.S. AUTHORITIES

Mr. H. E. Stafford (Elgin): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry.

Mr. Hees: That is not a supplementary question, Mr. Speaker.

Mr. Speaker: Is the hon. member rising on a point of order?

Mr. Hees: No. I thought Your Honour recognized the hon. member because he wanted to ask a supplementary. He does not.

An hon. Member: Who is running the House?

Mr. Bell: Who is running the country?

Mr. Speaker: Not having my blinkers on today, I saw the hon. member for Elgin from the corner of my eye.

Mr. Stafford: I have a question for the Minister of Fisheries and Forestry. Is the minister aware that two Canadian fishing tugs valued at approximately $80,000 were seized and eight Canadian fishermen arrested and apprehended at Painesville, Ohio, yesterday and are currently being held in custody for fishing on the United States side of Lake Erie, and that the penalty for such violation is a possible $200 fine per fisherman in addition to the confiscation of boats, nets, equipment and fish by state authorities, and if so—

Mr. Speaker: Order, please. Is the hon. member coming to the question?

Mr. Stafford: Yes, Mr. Speaker. If so, what action does the government intend to take?

Hon. Jack Davis (Minister of Fisheries and Forestry): We have been in touch through the Department of External Affairs with the Vice-Consul in Cleveland and he is giving every necessary support to the fishermen. We have also from time to time reminded the United States authorities that their northern

limits are the international boundary line in Lake Erie.

Mr. Stafford: Have the Americans ever committed similar offences and, if so, do we give them the same treatment?

Mr. Davis: No, Mr. Speaker. We have a gentleman's agreement. They police their own fishery in that respect.

ADDITION OF EXPERT ON U.S. POLITICS TO CANADIAN EMBASSY STAFF IN WASHINGTON

Mr. Lloyd R. Crouse (South Shore): I have a supplementary question for the Secretary of State for External Affairs. In view of the obvious need for consultation between the United States and Canada on pollution control legislation, the conservation of our fishing resources and other matters such as the one raised by the hon. member for Elgin a few moments ago, is the government planning to add a full-time expert on United States domestic politics to the staff of the Canadian embassy in Washington?

Hon. Mitchell Sharp (Secretary of State for External Affairs): One of the functions of our ambassadors and other diplomats abroad is to become expert in the affairs of the countries to which they are accredited.

ATLANTIC SALMON—REPRESENTATIONS TO DENMARK

Mr. John Lundrigan (Gander-Twillingate): Can the Secretary of State for External Affairs now tell us, in reply to a question which was taken as notice on Monday, whether any representations have been made to Denmark following the latter's threat to withdraw from the North Atlantic Fisheries Commission, in which question is involved the taking of Atlantic salmon on the high seas by Danish fishing vessels?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. The terms of a message which will be transmitted to Denmark have now been agreed upon and I expect we shall convey our views to the Danish government very soon.

POST OFFICE

PARTICIPATION OF POSTMASTER GENERAL IN NEGOTIATIONS WITH EMPLOYEES

Hon. George Hees (Prince Edward Hastings): I have a question for the Prime Minister. Is the Postmaster General participating in the important talks which are going on at the present time between the government and the postal workers?

Right Hon. P. E. Trudeau (Prime Minister): The talks are in front of a conciliation board, Mr. Speaker, and it is not usual for a minister to involve himself at that stage.

Mr. Hees: Is the Postmaster General sharing responsibility on behalf of the government in this matter with the President of the Treasury Board?

Some hon. Members: Answer!

Mr. Hees: Mr. Speaker, may I ask a further question? Will the right hon. gentleman tell us whether the Postmaster General is still administering his department?

Mr. Speaker: Order. The hon. member for Waterloo.

Mr. Hees: Come on! Up Up!

Mr. Speaker: Order.

[*Later:*]

Mr. Hees: Mr. Speaker, I should like to ask whether the Postmaster General has resigned since there has been no sign of him in the House for three weeks?

Mr. Speaker: Order.

FINANCE

RESIDENTIAL AND COMMERCIAL CONSTRUCTION—DEFERRED DEPRECIATION PROGRAM—GREATER CAPITAL ALLOCATION

Mr. Max Saltsman (Waterloo): Mr. Speaker, I have a question for the Minister of Finance which is really supplementary to earlier questions. In view of information that is appearing that there is a tremendous increase in plans for construction of commercial and business buildings while there is a sharp drop in residential construction, which would indicate there has been a failure of the minister's deferred depreciation program, is the minister giving consideration to a more definitive policy of capital allocation?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think the forecasts indicate the underlying strength of the Canadian economy and that it will move forward quickly in the future and I hope at a reduced level of inflation. However, I am not at the present time considering increasing the differential with regard to depreciation.

RETURN TO FLOATING EXCHANGE RATE

Mr. Max Saltsman (Waterloo): In view of the effect that is being experienced in the Canadian economy as a result of repercussions in other nations, is the minister giving further consideration to freeing the exchange rate in Canada and returning to a floating exchange rate?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

NATIONAL DEFENCE

REPORTED PRESENCE OF RUSSIAN SUBMARINES IN ARCTIC WATERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Would the minister either deny or confirm the presence of Russian nuclear submarines in the Arctic?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I had a similar question yesterday and I believe I indicated at the time to my hon. friend that probably Admiral O'Brien had qualified his statement pertaining to so-called Russian submarines. I did look at the press report and I was happy to find that he did actually qualify his statement.

Mr. Forrestall: Mr. Speaker, my supplementary question must be directed to the Secretary of State for External Affairs. Because of the interest of Canadians and their concern about pollution in recent months I must ask whether or not the minister can indicate if the government of Canada has sought and received from the Union of Soviet Socialistic Republics assurances parallel and similar to those we sought and demanded from our neighbours to the south in terms of maritime movement in our Arctic? I refer particularly to the voyage of the *Manhattan.*

Mr. Speaker: The hon. member for Parry Sound-Muskoka.

POLLUTION

DESIGNATION OF POLLUTION CONTROL CO-ORDINATOR

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Prime Minister. Now that his supporters in committee have rejected the Minister of Energy, Mines and Resources as co-ordinator of pollution control activities in Canada, will the Prime Minister take action to settle the factional dispute among his ministers and designate a pollution control co-ordinator?

Mr. Speaker: Order. The hon. member for Peace River. Order, please. Is the hon. member rising on a point of order?

Mr. Aiken: I was waiting for an answer, Mr. Speaker.

Mr. Speaker: I would not allow an answer because the question is obviously out of order.

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

Mr. Speaker: Order, please. The hon. member knows he cannot ask a supplementary to a question which is out of order. Perhaps he might ask a different question.

Mr. Aiken: Then may I rephrase the question by leaving out the preliminary statement. May I ask the Prime Minister if he intends to designate a minister to co-ordinate pollution control activities?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we do assure co-ordination of pollution activities in a variety of ways, cabinet committees being one of them.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, in view of the fact that the Minister of Fisheries, through several pieces of legislation and the Fisheries Act, now has primary jurisdiction in the field of pollution control, will consideration be given to having him co-ordinate all activities relating to pollution control which now is under four or five different ministers?

Mr. Trudeau: Mr. Speaker, I thank the hon. member very much for the suggestion which I must say is not very helpful.

Mr. Aiken: Mr. Speaker, I wonder whether the Prime Minister would direct the same remark to the hon. member for Kamloops-Cariboo who asked him the same question and received a polite answer.

HEALTH AND WELFARE

QUARANTINING OF "ORONSAY"—RESIGNATION OF DR. COX—REQUEST FOR INQUIRY

Mr. G. H. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the

fact that Dr. Kenneth Cox, the medical investigator who did such a brilliant job in connection with confining the typhus epidemic on the *Oronsay*, has been compelled to offer his resignation, will the minister consider referring this matter to the parliamentary committee which has jurisdiction or the establishment of a judicial inquiry under the Inquiries Act?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I question very much the premise in the hon. member's statement that he was forced to resign. The hon. member is correct in that he did resign. I undertook that I would supply answers to the hon. member's questions concerning this whole matter and I hope to do so in the very near future. I would like to learn the hon. member's reaction to those answers and then I will determine what form of action should be taken.

SIDE EFFECTS OF ORAL CONTRACEPTIVES—AVAILABILITY OF REPORT

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of National Health and Welfare. On March 16 the minister promised me he would consider making public the report of the medical committee under the auspices of the Food and Drug Directorate in respect of their study of oral contraceptives. Now that this report is to be circulated to all doctors in Canada, will copies be made available to the public?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I shall be pleased to take that matter under consideration.

FINANCE

MERGER OF LA BANQUE POPULAIRE AND BANQUE PROVINCIALE DU CANADA

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. Can he tell the House whether he has officially received any applications for approval of a merger between La Banque Populaire and the Banque Provinciale du Canada under the terms of the Bank Act?

Hon. E. J. Benson (Minister of Finance): Yes, Mr. Speaker. Permission was sought and I made an announcement to the House to indicate that under the authority given to me I had approved such a merger.

[Mr. Baldwin.]

NATIONAL REVENUE

ALLEGED SMUGGLING OF GOODS INTO CANADA AT WINDSOR

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister of National Revenue. It concerns alleged abuses at the Windsor border in connection with the U.S.-Canada car pact and it stems from a statement made by the President of the Customs and Excise Officers Association that dutiable products are being smuggled into Canada camouflaged as auto parts which are duty free. Is the minister aware of this situation and what steps have been taken to eliminate this abuse?

[*Translation*]

Hon. Jean-Pierre Côté (Minister of National Revenue): To the best of my knowledge, Mr. Speaker, these allegations seem false as there may be several check points for such parts coming into the country. None the less, we have set up a committee which is now investigating these allegations and, should they prove to be true, we shall take steps to remedy this situation.

[*English*]

Mr. Hales: I have a supplementary, Mr. Speaker. Apparently this problem arises from the working conditions. I should like to ask the minister whether the working conditions have been changed in any way?

[*Translation*]

Mr. Côté (Longueuil): Mr. Speaker, a committee has also been established to look into labour conditions at Windsor.

[*English*]

HEALTH AND WELFARE

REPORT ON HEALING ARTS—CONSULTATIONS WITH PROVINCIAL MINISTERS ON PROBLEMS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the report of the committee on the healing arts just released, which indicates a very grave crisis in respect of medical care involving an acute shortage of doctors and a great need for medical schools as well as complete chaos in respect of health legislation, would the minister get in touch with his counterparts in the provinces to consider ways and means of meeting this grave situation?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows, there is close liaison between the federal health authorities and the provincial health authorities now on the whole question of the health delivery system and its cost and efficiency. Meetings are being conducted on a continuing basis and the whole area will be discussed at the next federal-provincial meeting of ministers of health. We think that the health delivery system in Canada is probably one of the finest in the world. We do not agree with the conclusions of the report to which the hon. member referred.

Mr. Rynard: I have a supplementary question, Mr. Speaker. I hope the minister is aware that it was his government that brought in medicare—

An hon. Member: And you voted for it.

Mr. Rynard: —and he must accept the responsibility.

Mr. Speaker: Order, please.

Mr. Rynard: He did accept the responsibility and then cut back the health resources fund, the very heart of the program.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. Barry Mather (Surrey): May I ask a question of the Secretary of State for External Affairs. Has the minister finally reached a decision in regard to making representations to Washington in opposition to the scheduled underground nuclear tests in the north Pacific?

Hon. Mitchell Sharp (Secretary of State for External Affairs): We have not yet received the information that would be necessary for us to reach a decision on this matter.

Mr. Mather: Can the minister say why, when the government protested against a much smaller test last year, it is taking so much longer to make representations against this much larger test?

Mr. Speaker: Order, please. I suggest this is an argument rather than a question.

TRANSPORT

RAILWAY LINE RELOCATION POLICY

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct to the Minister of Transport a question regarding the severe traffic impediments which occur as a result of railway lines running through some of our major cities. Would the minister discuss this serious matter with the railway officials with a view to determining an immediate policy and implementing it in order to alleviate this very serious urban problem?

Hon. Donald C. Jamieson (Minister of Transport): As I indicated in the House a few days ago, such discussions as the hon. member suggests are already under way. In addition, we have involved the Federation of Mayors and Municipalities as well as, in this particular case, the government of Manitoba and the council of the city of Winnipeg with a view to having the situation in Winnipeg, which is very similar to others throughout the country, be a sort of pilot project, and this combined group is going to bring in recommendations as quickly as possible.

Mr. Alexander: I have a supplementary question, Mr. Speaker. Could the minister give the House any indication as to when he expects this very important report?

Mr. Jamieson: A week ago Monday I met the representatives of the Federation of Mayors and Municipalities, among whom was a Mr. Wolfe of Winnipeg who indicated that good progress was being made and he hoped to have the report shortly.

AIR CANADA

POSSIBLE TRANSFER OF EASTERN HEADQUARTERS FROM HALIFAX TO MONTREAL

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question also dealing with traffic and it is directed to the Minister of Transport. I wish to ask him whether Air Canada has made him aware that it is considering the moving of its eastern headquarters from Halifax to Montreal? If so, what does the minister intend to do about it?

Hon. Donald C. Jamieson (Minister of Transport): I have not had any such advice from Air Canada officials.

Mr. MacInnis: The minister has not been informed of a number of things Air Canada is doing, but is he aware that this company

which operated with six vice-presidents—that may have something to do with the austerity program—now has 19 vice-presidents and there are three more to come?

Mr. Baldwin: Just like the cabinet.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Would the Minister of Transport inform himself about the situation and advise the House at an early opportunity why it is necessary to consider the removal of the regional headquarters from the Atlantic provinces to Montreal?

Mr. Jamieson: I will be glad to do that, Mr. Speaker.

FISHERIES

SALE OF LAKE ERIE FRESH PERCH FILLETS

Mr. William Knowles (Norfolk-Haldimand): My question is directed to the Minister of Fisheries and Forestry. In view of the fact that his department and the provincial government have declared Lake Erie fish to be free from pollutants, and as the minister has also ascertained this from first-hand inspection, would he issue a directive to his inspectors to permit the sale of fresh fillets of perch which is a very lucrative market for the fishermen who sell this product?

Hon. Jack Davis (Minister of Fisheries and Forestry): The question is one of testing all of the fish. At present the fish have to be held for some time and therefore have to be held in frozen form. Until we have sufficient testing apparatus and men trained to speed up the tests in large numbers we are unable to clear the fish. We want to be absolutely sure that the fish meet all our requirements before they are sold in this country or exported.

Mr. Knowles (Norfolk-Haldimand): Would the minister at least undertake to speed up the testing process? These men are forced to hold them for periods of up to two weeks before they can get an answer.

Mr. Davis: We have several new machines on order and we are training the necessary staff as quickly as we can.

POLLUTION

HOWE SOUND—SOURCE OF MERCURY CONTAMINATION—CONTROL MEASURES

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Fisheries and Forestry regarding the recent closing of Howe Sound to sports fishing because of mercury pollution. Could the minister inform the House as to the source of the mercury pollution, its extent, and the measures being taken to control it?

Hon. Jack Davis (Minister of Fisheries and Forestry): We know that the source of the mercury pollution is the FMC Chemicals caustic soda and chlorine plant at the head of Howe Sound. We do not know the extent of the pollution, but we hope to have the results on fish tests by the end of the week.

CHEDABUCTO BAY—PAYMENT OF COMPENSATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wonder if I might beg your indulgence and ask a question supplementary to one asked the other day when the Minister of Transport was not in the House. It has to do with pollution. Can the minister indicate to the House the procedure to be followed or the date on which the government will be in a position to announce the procedure to be followed by residents in the Chedabucto Bay area of Nova Scotia with respect to compensation for the damage they have sustained as a result of the *Arrow* disaster?

Hon. Donald C. Jamieson (Minister of Transport): The procedure has been explained to the residents of Chedabucto Bay on a number of occasions by both representatives of my department and the Department of Fisheries and Forestry. In addition, quite a job has been done cleaning up the fishermen's nets and the like, and I understand that tenders were called yesterday for the cleaning up of shore installations. So to this extent the work is under way. If there is any specific inquiry, either I or the Minister of Fisheries and Forestry will be glad to look into it.

SPORTS

HOCKEY—SUGGESTED TELECASTING OF JUNIOR A HOCKEY FINAL BY CBC

Mr. A. B. Douglas (Assiniboia): Because of the absence of the Secretary of State may I direct this question to the right hon. Prime Minister. In view of the fact that there is no Canadian hockey team in the NHL playoffs this year, and in view of the fact that either Montreal or Quebec will be playing Weyburn, Saskatchewan in the Memorial Cup Junior A hockey final series, would the Prime Minister make representations to the CBC with the

objective of having them telecast this important, all-Canadian series?

Right Hon. P. E. Trudeau (Prime Minister): I will gladly make those representations. I think the viewing public of Canada should be given an occasion to see how Montreal or Quebec can go and beat the teams in the west.

Some hon. Members: Oh, oh!

Mr. Hees: Wait until they get you out west.

An hon. Member: Now we know where you stand.

Hon. Robert L. Stanfield (Leader of the Opposition): I am not rising to inject a note of regionalism, but I wonder if the Prime Minister would not apologize to the House for the sorry state hockey has reached under his leadership.

Some hon. Members: Oh, oh!

IMMIGRATION

ENTRY INTO CANADA OF STOKELY CARMICHAEL

Mr. W. B. Nesbitt (Oxford): I have a question for the Solicitor General. In view of the reported recent visits to Canada, in particular one last week, by Mr. Stokely Carmichael, that preacher of race hatred and violence, can the Solicitor General tell us under what circumstances that gentleman arrived in Canada?

Hon. G. J. McIlraith (Solicitor General): No, Mr. Speaker, I regret I cannot. I presume he came with the proper clearance from the Immigration Department, and I will refer the question to my colleague in charge of that department.

Mr. Hees: Everyone is passing the buck.

TAXATION

PUBLIC ACCEPTANCE OF WHITE PAPER ON REFORM

Mr. Thomas M. Bell (Saint John-Lancaster): I have been waiting to throw this question at the Minister of Finance for two days now. Why did the minister say in Toronto on Monday that he was surprised at the public acceptance of the white paper on tax reform?

Hon. E. J. Benson (Minister of Finance): I was pleased, Mr. Speaker.

Mr. Speaker: Order, please. I wonder whether the hon. member should not be prepared to wait a while for the reply.

Mr. Bell: Then may I rephrase my question, Mr. Speaker. As one who received another 100 letters this week objecting to the white paper, may I ask the Minister of Finance how the public can demonstrate any more strongly that they object to its proposals?

Mr. Benson: Well, Mr. Speaker, if my hon. friend would look closely at what I said in Toronto he will see I indicated that the general principles of the white paper seemed to be fairly well accepted, for example, the idea of a capital gains tax, redistribution of the tax burden—

Mr. Speaker: Order, please. The Leader of the Opposition on a supplementary question.

WHITE PAPER ON REFORM—REQUEST FOR ANNOUNCEMENT OF CHANGES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the careful reading that I too give to the minister's speeches, and in view of his statement that the legislation to be introduced will contain many changes from the white paper as presented, will the minister undertake to make a statement to the House at an early date, or before the committee, indicating what changes the government proposes in the white paper?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am very interested to note that the hon. gentleman has read that speech since I did not speak from a text.

Mr. Stanfield: I simply read the newspapers.

Mr. Benson: In any case I suppose I will be appearing before the House of Commons and the Senate Committees in due course when they have particular questions to raise with regard to particular aspects of the white paper. Of course, at that time I will indicate my thinking in this regard, but it is up to the committees to make their recommendations. I have a great deal of respect for the committees of this House.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Stanfield: Mr. Speaker, I ask the minister this question sincerely. Having presented

some proposals to the Canadian people which are to be taken seriously, and having indicated that there will be many changes made in those proposals, does the minister not feel he has some obligation to tell the Canadian people what changes are to be made?

Mr. Speaker: Order, please. This is a restatement of the question asked previously by the Leader of the Opposition.

FINANCE

EFFECT OF MONETARY POLICY ON TRANSFER OF CAPITAL BY MULTINATIONAL CORPORATIONS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Finance. Was the Chairman of the Prices and Incomes Commission asserting government policy last night when he acknowledged that the government's tight money policy can have almost no effect—

Mr. Speaker: Order, please. Perhaps the hon. member might rephrase the question. He knows he cannot ask it in those terms. It would be better if he could seek the information directly rather than by referring to a statement made outside the House.

Mr. Broadbent: Thank you, Mr. Speaker. Is it the government's view that its monetary policy can have almost no effect on multinational corporations which have the ability to transfer cash reserves from one country to another?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would say that our monetary policy, carried out through the Bank of Canada, has more effect on Canadian residents than it has on foreign residents who may be moving foreign funds into Canada and who have foreign funds available to them when we have tight money policies in this country.

Mr. Hees: As a supplementary—

Mr. Speaker: Order. I wonder if the hon. member would allow me to recognize two or three members in the back rows who have not had an opportunity to ask questions today.

DRUGS

INQUIRY AS TO REPORT OF LEDAIN COMMISSION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. Is the minister now in a position to inform the House when we may expect the tabling of the interim report of the LeDain Commission inquiring into the non-medical use of drugs?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I would anticipate that the report would be available within the next two or three weeks to the government, at which time the government will have to determine the disposition of it.

GRAIN

POLICIES TO RAISE PRICES TO CANADIAN PRODUCERS TO EUROPEAN LEVEL

Mr. Speaker: The hon. member for Athabasca.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I hope you will excuse me if I am short of breath after popping up and down for 55 minutes.

Some hon. Members: Shame.

Mr. Yewchuk: In any case I would like to put my question to the Prime Minister. In view of recent reports by the Alberta Wheat Pool that wheat producers in the European community get more than twice as much for their wheat and almost four times as much for their barley as Canadian producers, does the Prime Minister have any intention of announcing or having one of his ministers announce any new policies in the near future that would bring the prices to Canadian producers into line with what European producers are getting?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Yewchuk: A supplementary question. Would the Prime Minister not be willing to look at the programs of the Europeans and the Americans to see if anything could be learned that would be useful in Canada in raising the prices to our producers?

WHEAT—ACREAGE REDUCTION PROGRAM—ALTERNATIVE ASSISTANCE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I also wish to direct a question to the right hon. Prime Minister. In view of the widespread disappointment expressed by farmers and farm organizations about some of the shortcomings of Operation LIFT, can the Prime Minister give western farmers any assurance of alternative assistance for 1970?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have answered this question a few times, and the subject matter has been dealt with many, many times by the two ministers involved.

POLLUTION

OTTAWA RIVER—ACTION FOLLOWING MERCURY TEST RESULTS

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Has the government completed tests to determine the quantity of mercury in the Ottawa River and, if so, what are the results and is there any action contemplated?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we have received the results of tests made in the Ottawa River which show it is marginally over the tolerable level of half of one part per million. Because the commercial fishing season is about to begin, I am today asking the responsible ministers in Ontario and Quebec who are administering the federal Fisheries Act to close the Ottawa River for commercial fishing through the summer season.

ACTION AGAINST INDUSTRIES TO RECOVER FINANCIAL LOSSES

Mr. Robert Simpson (Churchill): Mr. Speaker, I wish to direct a supplementary question to the Minister of Fisheries and Forestry. Can the minister say whether the government has yet taken any action against any industry to recover financial losses in relation to mercury pollution in the various areas in which it has been observed?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is no, Mr. Speaker. Some of the amendments to the Fisheries Act now before a committee of this House would enable us to do that, however.

REGIONAL DEVELOPMENT

MOVING OF CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a question to the Government House Leader. When can we expect the motion for concurrence in the second report of the Standing Committee on Regional Development, which has been on the Order Paper since April 14, to be proceeded with in view of the fact that it contains an unanimous recommendation that the committee adjourn from place to place on the east coast of Canada before the estimates go through on May 31? Quite a number of arrangements have been made for that trip.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I anticipate having discussions with the other House Leaders with respect to the general question of travel by committees of the House during the balance of the session. I think the hon. member will recognize that it will be difficult to have more than one committee away from the House at any one time, and there have been a number of requests along these lines. I also believe there has been general agreement in that committee that the request should not be brought forward until the middle of next month.

Mr. Speaker: Orders of the day.

Mr. Lundrigan: On a point of order—

Mr. Speaker: Order. The hon. member for York North on a question of privilege.

Mr. Danson: Mr. Speaker, I rise on a question of privilege based on what I believe is a misquotation in *Hansard* at page 6346, line 42, where I am reported as having referred to:

> ...the end of the horse personified by the hon. member for Prince Edward-Hastings.

Then there appears this reply:

> Mr. Hees: Oh, go back to Grade 3!

I believe that should read, "Come back to Grade 3."

Some hon. Members: Oh, oh!

Mr. Hees: Mr. Speaker, I would like to correct that. All members on this side of the House have passed through Grade 13 but a large number on that side are still in Grade 3.

Some hon. Members: Oh, oh!

Mr. Lundrigan: Mr. Speaker, I would like to break through the shennanigans to raise a serious point of order. The Standing Committee on Regional Development has before the House a unanimous recommendation in its second report, and the recommendation—

Mr. Speaker: Order. May we have order, please.

Mr. Trudeau: Hon. gentlemen opposite should have some respect for their own backbencher.

Inquiries of the Ministry

Mr. Lundrigan: As I was saying before I was interrupted from half a dozen places in the House, the Standing Committee on Regional Development unanimously recommended very early in April, and so reported to the House on April 14, that it adjourn from place to place on the east coast of Canada, following a commitment which is more than a year old. Arrangements have been made. Now we listen to the House Leader indicating that discussions are to be held in regard to this matter. There is a unanimous feeling in the committee about this request, and I have no reason to believe there is anything but a unanimous feeling in the House.

The House Leader has intimated that the motion will not be moved for two weeks, or before the middle of next month, because of conflict in committee travel arrangements. I submit this is not the case. I feel it is a waste of time for our committee to continue to meet unless the committee's report is concurred in. I think the House Leader has no right, as a member of this House, to prevent the report coming before the House, which is exactly what he is doing. I think, Mr. Speaker, that this confirms what other hon. members—

Mr. Speaker: Order, please. The point which the hon. member makes has from time to time, been presented to the Chair and to hon. members for consideration. I am sure the submissions of the hon. member have been noted. I would not think this is a matter about which there should be debate at this time.

Mr. Macdonald (Rosedale): I rise on a question of privilege, Mr. Speaker. The hon. member has made the allegation that I have prevented the matter coming forward. I have been acting on the basis of information I received from the committee. I understood that the committee had agreed it would not, in any event, seek to travel before the middle of next month. That information may or may not be correct, but I believe I was acting on reliable information. The other question which has to be borne in mind is that if more than one committee is away from the House, it will be very difficult to carry on the business here.

Mr. Speaker: Orders of the day.

[Mr. Trudeau.]

GOVERNMENT ORDERS

PRICE STABILITY

APPOINTMENT OF JOINT PARLIAMENTARY COMMITTEE

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved:

That a special joint committee of the Senate and House of Commons, to be known as the Joint Parliamentary Committee on Price Stability, be appointed to consider reports of the Prices and Incomes Commission, and such other related reports or papers as may be referred to the committee, with powers to report from time to time its observations and opinions thereon; to send for persons, papers and records; to sit during sittings and adjournments of the House; to print from day to day such papers and evidence as may be ordered by the committee; and to delegate to subcommittees any of its powers except the power to report directly to the House of Commons.

That 12 members of the House of Commons, to be designated at a later date, act on behalf of the House as members of the said committee, seven of whom shall be required for a quorum.

That when a quorum is not present, the chairmen of the said committee or of its subcommittees be authorized to proceed with meetings for the purpose of receiving and printing evidence; and

That a message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select, if the Senate deems advisable, some of its members to act on the proposed special joint committee.

He said: Mr. Speaker, there is before the House a motion to establish a Joint Committee of this House and the Senate on Price Stability. Hon. members will recall that an improved approach toward the achievement of price stability was proposed in the White Paper on Policies for Price Stability which I presented just over a year ago. The new approach outlined in this white paper was clearly intended by the government to supplement and support the use of the traditional instruments of fiscal and monetary management available to the government. It was not designed to replace these traditional instruments.

In the white paper it was suggested that two new bodies were to be created to focus continuing attention on the problem of rising prices that is of concern to us all. One of those bodies, the Prices and Incomes Commission, was appointed by Order in Council last June. I gave notice to the House on December 15 last of this motion that we are to debate today for the appointment of the second of these new bodies, to be known as the Joint Parliamentary Committee on Price Stability. This is the motion we are debating today.

The white paper on policies for price stability envisaged that the joint committee would provide a very valuable parliamentary forum for the public consideration of the reports of the Prices and Incomes Commission and for public hearings and airings and reviews of trends in major price and income development in the private sector of our economy. The white paper recognized the necessity of undertaking a continuous analysis of cost and price developments and of studying the causes and effects of inflation outside the traditional framework of the government decision-making process.

The government proposed the formation of the Prices and Incomes Commission to perform this function, a proposal that at the time received wide support and led to the commission's establishment last summer. In the white paper we said of the commission that its "primary influence should be directed to rallying a strong sense of social responsibility, on the part of those making private price and income decision, in support of the national interest in price stability". We further said, "To achieve this, it will be necessary for the commission to win the continuing acceptance and co-operation of major economic interest groups" and gave our opinion that it could "win this support only by maintaining close consultation with such groups on a regular basis." In the statement I made at the time of the appointment of the commission I said:

> The commission will be asked to inquire into and report upon the causes, processes and consequences of inflation and to inform those making current price and income decisions, the general public and the government on how price stability may best be achieved. The commission will be authorized to prepare and publish from time to time under its own authority specific reports on:
>
> (a) the results of their studies and investigations of the matters outlined above;
>
> (b) current developments in costs, prices, productivity and incomes in particular sectors and industries within the economy and for the Canadian economy as a whole.

Following its appointment, the commission accordingly began by devoting most of its efforts toward establishing close relations with leaders of major economic interest groups and winning their support through private discussions for a program of voluntary restraints on prices and incomes. There was at that time, as there has been since, criticism of this approach. Some people suggested that the idea that leaders of interest groups might be induced to give adherence to such a program was illusory; others, while not ruling out the possibility, considered that agreement could be achieved only after the commission had engaged in a lengthy program of self-education followed by public education. Nevertheless, the commission persevered even in the face of setbacks which seemed insurmountable some months ago, and this February it achieved a good measure of success in reaching its initial objective. At the National Conference on Price Stability a large group of business leaders agreed on criteria designed to reduce the number and size of price increases business will make in 1970.

Mr. Orlikow: That is a fake.

Mr. Basford: The agreement is in terms sufficiently specific to make it possible in individual instances to determine whether it is being met or not—in other words, whether these pricing criteria are being followed or not. The program agreed upon at the National Conference on Price Stability was supported by the first ministers of Canada and all the provinces at the federal-provincial conference the following week.

It is interesting to note that shortly after that conference and as a result of it we announced the deferral of a whole range of government fee increases we had intended implementing. They were deferred because of the inflationary situation in the country. Following the conference, the provinces were asked to concern themselves with reviewing their laws relating, for example, to the cost of housing and rental accommodation particularly. Following that conference some provinces have reviewed their laws and some have proposed legislation which will have a restraining effect on rent increases.

In my view, the commission and business leaders together at the National Conference on Price Stability made a significant contribution to the objective of achieving better price stability at much less cost, in terms of output and employment, than would result from exclusive reliance on the traditional fiscal and monetary weapons.

The commission has embarked on a number of reviews of specific price situations in order to determine whether these have been developing in line with the criteria. It is obviously important that the commission come to conclusions rapidly and transmit these conclusions rapidly to the firms concerned and to the governments. If it is to do this as quickly as possible it cannot hold extensive public hearings. However, I think the House will agree that public examination and discussion of these reports is needed, and surely there

could be no better forum for them than that provided through the hearings of a joint parliamentary committee.

• (3:10 p.m.)

In view of the flow of reviews of pricing situations that will be emanating from the commission, and the need for assuring that there is adequate opportunity for public discussion of the broader issues involved, I am urging the immediate appointment of a Joint Parliamentary Committee on Price Stability. In addition to its function of carrying out public examination of reports on individual price situations, the committee will also be expected to examine the manner in which the commission has gone about establishing a system for providing quick methods of determining which price increases warrant investigation. I anticipate that these inquiries will reveal the present program is having a significant effect in restraining price increases.

The estimates of my department, and thereby the Prices and Incomes Commission, is presently before the Standing Committee on Health and Welfare. The members of the Prices and Incomes Commission tabled a statement last night before that committee outlining some of the work it is undertaking. For the sake of the record I might review that statement very quickly. The first report of the commission involved a price increase announcement by the steelmakers of Canada, including a variety of rolling-mill products. This report has been tabled in the House and should be examined by this forthcoming parliamentary committee. Secondly, they have issued a report following the National Conference on Price Stability. The report concerns price increases of tinplate. They are now examining a 6 per cent increase in the price of glass containers and examining with the Canadian Transport Commission recently announced railway freight increases.

Mr. Baldwin: You forgot peanut butter.

Mr. Basford: I will come to that. I am glad the hon. member is concerned about peanut butter.

Mr. Baldwin: I was making lunch for my son when I heard that announcement.

Mr. Basford: The commission is working with the copper industry. While copper is still very expensive, we in Canada are paying the lowest price for copper anywhere in the world. The price in Canada is considerably lower than it is in the United States, and well below the world price. It is resulting—

[Mr. Basford.]

Mr. Speaker: Order, please. I understand the hon. member for Winnipeg North (Mr. Orlikow) seeks the floor to ask a question, if the minister will allow it.

Mr. Basford: I have a limited amount of time, but I will be happy to answer the question, Mr. Speaker.

Mr. Orlikow: The minister can have all the time he wants. While the minister is talking about the situation in Canada and saying we have the lowest copper price in the world, will he agree to put on the record the fact that in the past 15 months, since January 1, 1969, the price of copper in Canada has risen by 30 per cent?

Mr. Basford: Mr. Speaker, I think the government and also the commission have indicated very clearly that we are not happy with the price of copper. However, I think we can take some consolation in the fact that as a result of the work of the Prices and Incomes Commission and its restraining influence, although in Canada we are paying a high price for copper it is a lower price than anywhere else in the world.

I will continue to review the statement filed yesterday. Another part of the work of the commission is that relating to copper. Hon. members will have noticed a statement in the press the other day following negotiations and representations made by the Prices and Incomes Commission to the Aluminum Company of Canada resulting in the price of aluminum ingot and semi-fabricated products not being increased in Canada. Although the world price has increased, the Canadian price to Canadian fabricators remains the same. As a result of the work of the commission, the Aluminum Company of Canada has agreed to keep down its prices. A full review is being conducted by the commission into price increases of tin-plated containers. I think hon. members will appreciate that price increases in glass containers and tin containers can have a pervasive effect throughout the economy, particularly with relation to consumer goods, many of which are packed in tin or glass.

In total, the commission in the period of two months has begun conducting surveys of some 40 products or product groups where price increases have been reported. Reports will be made by the commission on these investigations and will be presented to the House. It seems it will be of vital concern to have these reports examined by a joint committee of both Houses. Some of the products

on which price increases are being studied are fine papers, rubber tires, scrap metal, steel plate, cold storage charges—

Mr. Howe: Honey.

Mr. Basford: —dyes, detergents, undergarments, lubricating oil, silicates, coffee, to which the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) referred the other day, honey, to which the hon. member has just referred, canned foods, peanut butter, in which the hon. member for Peace River (Mr. Baldwin) has an interest, margarine, meats, grapefruit juice, edible oils, shortening and prescription baby foods. That is an outline of some of the reviews that the commission currently has underway.

Of interest to this House, and particularly to me as Minister of Consumer Affairs, is the concern and interest of the commission in the prices of food and household items which are of such vital concern to Canadian consumers. As a result of that concern the Prices and Incomes Commission has established close liaison with the main retail outlets in both the general merchandise and the grocery sectors. On a systematic basis these sources are being asked to report markups and changes in prices at the retail level for consumer-sensitive items. There is already evidence that this procedure has restrained or prevented price increases in certain food products. Where price increases have already taken place, these are being investigated primarily to determine whether they meet the pricing criteria established by the National Conference on Price Stability.

I did not have an opportunity to participate in the debate yesterday. However, I notice that a number of members were critical of the work of the Prices and Incomes Commission. That criticism has also come forward in the Standing Committee on Health, Welfare and Social Affairs which is examining the estimates of the commission. I wish to put on record that while we have a long way to go and a great task to perform in controlling inflation in this country, we are meeting with some success, considerably more than many other countries who have economies similar to Canada's.

According to the latest available figures, converted mathematically to a common 1963 basis, in December, 1969, we in Canada had a year-over-year percentage change of 4.6 per cent in the consumer price index and a .4 per cent change in the monthly index for last December. In the United Kingdom, with a government in power that is philosophically aligned with the New Democratic Party, there was a 4.7 per cent year-over-year increase—not as good as Canada's—and a December increase of .6 per cent, again not as good as Canada's.

The United States, with an economy very similar to ours, had a year-over-year increase for 1969 of 6.2 per cent compared with Canada's 4.6 per cent, and a December increase of .7 per cent compared with Canada's .4 per cent. France had a year-over-year increase of 5.9 per cent and a December increase of .3 per cent. Japan had a year-over-year increase of 6.4 per cent compared with Canada's 4.6 per cent, and a December increase of .7 per cent.

• (3:20 p.m.)

Mr. Stanfield: Mr. Speaker, may I ask the minister a question?

Mr. Basford: I would be happy to answer.

Mr. Stanfield: Would he tell us what the unemployment rate is in those countries?

Mr. Basford: I do not have those figures in my book here.

Some hon. Members: Oh, oh!

Mr. Basford: I would be glad to obtain them. We have made clear, however, that the more successful the program of the Prices and Incomes Commission is in securing price and wage restraint, the more rapidly we can relax certain aspects of fiscal and monetary policy. I find this difficult to drill into the heads of hon. members opposite; I regret that after a year and a half the Leader of the Opposition (Mr. Stanfield) still does not appreciate this.

Mr. Baldwin: Tell the unemployed.

Mr. Stanfield: Try to persuade the Minister of Finance (Mr. Benson).

Mr. Basford: I hear a good deal of chatter from the members of the New Democratic Party but I have difficulty determining what their position is—today it is one thing and tomorrow it is something else. I can only rely on the records of this House and on the Order Paper to help me determine what position they take. I refer hon. members to a motion in the name of the hon. member for Vancouver-Kingsway (Mrs. MacInnis), a leading member of the NDP caucus. This motion, No. 34, urges the government to—

—give consideration to the advisability of constituting a prices review board . . . such board to operate publicly and with consumer representation and

to be given the responsibility of co-operating with the provinces to secure stabilized prices for clothing, housing, drugs, transportation and basic consumer necessities.

Mr. Speaker, the Prices and Incomes Commission has gone much further than simply co-operating with the provinces. It is doing far more than the NDP is asking in the motion to which I have just referred. We have been co-operating with the provinces. We conducted an extremely successful federal-provincial conference on this program. The commission and the government have gone much further than simply trying to fight inflation by co-operating with the provinces as proposed by the New Democratic Party.

Since its establishment last summer, the commission has given the most urgent priority to seeking the support of various sectors of the economy for a program of voluntary cost and price restraint in an effort to reduce the immediate inflationary pressures. The commission has also embarked on longer-term research into some of the more basic problems posed by inflation. A number of studies have already been started and further studies are in the planning stage. An outline of the proposed research program has recently been made available to the Commons Committee on Health, Welfare and Social Affairs which is examining the estimates of the commission.

There are those who ask: Why is further research needed? Mr. Speaker, when I note in this House and in other places the great divergence of views expressed as to the best means of fighting inflation, it seems to me that the country is still in need of effective research into inflation—someone to provide better answers than we have been getting from the official opposition or from the New Democratic Party.

Mr. Baldwin: We just ask the questions; you are supposed to have the answers.

Mr. Basford: Undoubtedly, the joint committee will also wish to review the outcome of these studies and to consider such implications as they may have for the development of new national policies for dealing with the problem of inflation. To date, the program launched by the commission following the national conference has been helping to curb inflation by restraining price increases. This price restraint has been brought about mainly at the expense of profits, because a number of companies have absorbed part of their cost increases rather than fully passing them along in the form of higher prices. The program as it stands has no direct restraining influence on increases in incomes other than profits, of which labour income is by far the most important component.

In the closing statement of the National Conference on Price Stability at which agreement was reached on the current program, it was specified that the groups involved, while "prepared to take an initiative as a contribution to a broad program of restraint", wished to "emphasize that an indispensable requirement for the control of inflation is a comparable measure of restraint by wage and salary earners, by governments at all levels and indeed by everyone".

The response of the trade union movement, given to the government at the annual meeting which took place last month between the cabinet and the major Canadian labour organizations, was entirely negative. With real regret I must express the opinion that no constructive alternatives were put forward on that occasion. If labour has a contribution to make in the fight against inflation, if it has proposals to put forward, it seems to me that a joint parliamentary committee of this House and of the Senate provides the best possible forum for the expression of those views and for their examination by members of this House and of the other place.

In addition, the committee would provide a forum at which management and consumers could state their position, put forward their views and be examined and cross-examined. I hope that on further consideration the labour movement of Canada will take a more positive approach in the longer-term interest of the country as a whole and of organized labour itself.

The government believes that the fiscal and monetary restraints which it has adopted will gradually serve to restore reasonable price stability. The program of voluntary price restraint launched by the Prices and Incomes Commission will, as I said a few minutes ago, to the extent that it is successful reduce the adverse side-effects on unemployment of the fiscal and monetary restraints.

There are already a few encouraging signs that these policies are beginning to moderate the rate of inflation in Canada. I am sure all members of this House, appreciating the impact of inflation especially on those living on low and fixed incomes and the suffering it creates, will join with me in hoping that these early signs are not misleading and that we can, in fact, hope to see a real turn-around in the economy. The greater the success of the supplementary prices and incomes program in

helping to reduce these inflationary pressures, the sooner we can adjust our fiscal and monetary policies so as to provide a positive stimulus to economic activity and employment in Canada.

I believe the proposed parliamentary committee has an important role to play, not only in assisting the present program of the commission but also in helping ourselves and the commission to broaden the program and make it more comprehensive and effective.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, we have all listened with a great deal of interest to the minister in introducing this resolution. We might refer to it as the gospel according to Mr. Basford. I do not understand his preaching to the labour movement of Canada, on which he lays so much blame for not agreeing to some of the proposals brought forward by his government and by the Prices and Incomes Commission.

• (3:30 p.m.)

We are also getting a little tired of being compared to other countries in the world when it comes to economic problems and inflationary trends. This great nation of ours is not at all similar in terms of size, resources, people and problems, to other countries. I think it is a false premise to compare Canada to any other country in the world. The United States, of course, has ten times the population we have, and if their inflation is greater than ours it is because their population is greater.

Time after time measures are brought forward in this House to deal with economic problems. Some time ago when the minister's department was established it was said to be the great panacea of inflation control. It was going to take hold of those bad businessmen who were putting up prices; it was going to straighten out the labour unions and stop their wage demands. We used this vague term "stability of prices". I do not know that there was ever a period of price stability in this country. There have always been fluctuations up and down, but sometimes prices go up a lot faster than they should. Sometimes those who are to blame for this shuffle the blame on to somebody else and insist that the measures that have been brought forward by the government have had no effect on inflation, on the cost of living, on reducing the number of unemployed or on reducing interest rates. In so many areas of the economy we have the highest percentages we have had for many years.

Returning to the subject of committees and having people working on problems of this type, I was rather interested to read an article that appeared in the *Telegram* of Tuesday, April 28, written by Dennis Braithwaite. I think there is a lot of truth in what he says. It is headed, "Asking too many fool questions" and goes on to say:

> It is possible to fail through knowing your subject too well, and that is what's happening to us Canadians.
>
> If we were a little more ignorant of what's going on we might be able to feel something for our country. But every aspect of Canadian life has been so searchingly investigated by royal commissions, parliamentary committees, task forces, polls, surveys, ESP and grandma's ouija board that our minds are clogged with enough undigested data to gag a computer.
>
> The result is chronic anxiety, inter-regional suspicion and national neurosis. If we were to go on talking about our problems for the next 100 years, which seems entirely likely, we would never regurgitate all the half-truths, myths, faulty statistics and just plain wrong information that's stuck in our collective consciousness. And, in the meantime, all the talk and worry prevents our accomplishing anything or even having a good time.

I should also like to comment on one of the final paragraphs in the article because it could be applicable to this proposed committee:

> Of course, royal commissions are on the way out, too expensive; parliamentary committees, in particular, Senate committees, are the thing today. The Senators, obviously, are keeping themselves busy investigating everything from poverty to the decline of burlesque in order to squelch all this talk about the Senate being a useless appendage that should be abolished.

I am not going to comment on the latter part of this editorial because those gentlemen are going to join in this committee to assist the government to ascertain what is wrong with the economy. As I say, we have had a proliferation of organizations in this area. For example, there is the minister's department which has over 600 employees. This year we also set up a standards branch which, according to a press release issued by the Minister of Industry, Trade and Commerce (Mr. Pepin), is an organization set up to protect the buying public and to offer assistance to manufacturers; this is said to be the major benefit of a national standards council.

Mr. Basford: But the official opposition is blocking its passage through the House.

Mr. Howe: This is yet one more organization that is supposed to do great things for the nation, which is what the minister's

department was supposed to do. Can the minister claim that unemployment has gone down? Can he claim that prices have gone down or that the pressures on the economy have been reduced since his department came into existence? Probably he has further measures that he hopes will do this, and perhaps this is one that is before us today.

Mr. Basford: Mr. Speaker, would the hon. member permit a question?

Mr. Howe: No, Mr. Speaker, not until I am through. If I may be allowed to continue, it is by results that we judge whether regulations, resolutions and government measures are effective. However, we sometimes wonder why we are in the present situation. I do not think it is always necessary to blame business and labour for it. I believe what the chief of Bell Canada said in one of his statemens, namely, that the problems that we have today are created by the government itself in a great many cases. I should like to quote his remarks, which are contained in a *Globe and Mail* report of Tuesday, March 3 this year. He said:

> Much of Canada's current fiscal difficulty is due to government programs launched without solidly based estimates of their costs, Robert Scrivener, president of Bell Canada, said yesterday. The situation indirectly causes inflation, he said in a speech prepared for delivery to the Montreal regional council of the Institute of Canadian Bankers.
>
> "As the costs of these programs have risen, as the administration expense becomes a bigger proportion of their total cost, governments have raised taxes and have thus pre-empted a growing share of the gross national product.
>
> "This in turn has led to a more rapid deterioration in the purchasing power of money by diverting money from productive use. This inflation in turn pushes up costs."
>
> Government programs making excessive demands on the gross national product in the name of social welfare are "the very same programs that are doing so much damage to social welfare through the inflation they have largely helped to cause."

Mr. Basford: Why did you vote for medicare?

Mr. Howe: I did not vote for medicare, Mr. Speaker. I fought against the Canada Pension Plan right down the line. However, we know the sort of programs the Liberal Party promises when we are into an election campaign. You might as well have voted against motherhood as vote against the Canada Pension Plan at that particular time, though a lot of people are now having second thoughts about the program. We said both in the House of Commons and in the committee that these sorts of programs are inflationary.

What did we find following the passage of the Canada Pension Plan, Mr. Speaker? The same government had to bring in two taxation measures to assist people who were being abused by the rise in the cost of living as a result of the introduction of the Canada Pension Plan. People had to ask for more money to compensate for all the additional deductions from their pay cheques. This was the reason the cost of goods and services went up. If you continue to make deductions from the amount of money a man can take home, when whether he be a businessman or a labourer the pressures on the economy will increase and get out of control.

The government had the chance in the last budget to reduce taxation. But no, the government brags about the surplus it will have. If the government had removed the 2 per cent surcharge and let labour and business spend it as they wished, instead of as the government wished, or if the government had dropped the 12 per cent tax on building materials which is contributing to the increased cost of building across the nation, it might have assisted the economy. There are so many areas wherein the government could take action instead of setting up committees and commissions and creating new departments of government. The government's fiscal and monetary policy has not worked and it is time it took a second look at some of the things that have happened in the nation during the past two years.

• (3:40 p.m.)

Mr. Speaker, we have been speaking of all these commissions and committees which have been set up. There are many questions on the Order Paper concerning interdepartmental reports. I should like to see some of the interdepartmental reports that are so secret and sacred, because they would provide interesting reading for the members of the opposition since I believe the truth is spelled out in them. We all remember a report that was brought into this House in 1957. We have heard some backbenchers and government members who do not know what went on in those days speak about what happened when we were the government.

Back in 1957 during the first month of that Parliament somebody found a report in the Department of Trade and Commerce. What did that report say? It said that things were not good in Canada in 1957. This was a secret report which nobody was supposed to see. Inadvertently, when the offices were cleaned out, the report was found. That report stated

that things were not good in Canada and that we could expect increased unemployment and economic problems all over the nation. We did not create that situation; we inherited it.

In 1957 the policies introduced by the Conservative government got the show back on the road, and by 1963 things were booming. The people of Canada, however, decided they wanted another government. Another government was elected and, as I say, that government is playing with the highest cost of living, the highest interest rates and the greatest unemployment we have had in many years. One of these days there will be a day of reckoning. This proliferation of committees, commissions and reports will prove to be ineffective.

There are some outstanding people serving on the Prices and Incomes Commission. In fact they appeared before the committee last evening and we discussed some of the areas in which they are making studies. Here we are talking about setting up another committee. I wonder whether the minister is aware how difficult it has been to carry on committee work in the past few weeks. In fact, last night when the committee was examining the work of this great commission on prices and incomes there was not a member of the government present, aside from the chairman. When the chairman had a call of nature and had to go out, we had to appoint one of our members as acting chairman. This is an indication of the interest government members have in the work of such a committee.

Someone said he had great respect for the committees of this House. This is one area in which I think Parliament has failed in the past few years. We all remember the days when the estimates were considered in this House, where they were given a thorough study. It is true, as people say, that on the last day or so of a session estimates representing millions of dollars were pushed through. But this happened in the House and every member had an opportunity to participate in the consideration of the estimates. Now, if a member who is interested in the estimates of a particular department should happen to be tied up in another committee he does not have an opportunity to participate in the examination of those estimates. So I believe this government's organization has failed. I believe that in a new Parliament something will have to be done to review the rules so that we can bring back to the House of Commons some of those matters which have been delegated to committees. I do not think some things are receiving a proper examination under the present procedure.

Yesterday morning a committee was studying the estimates of the Department of Supply and Services which supplies goods for the government and this Parliament in the amount of $850 million. How many members were present to consider that matter? There were 7 people present to examine the expenditures of a government department that spends that very great amount of money. Yet the minister has the temerity to stand up and say he has great faith in the committee system. How can such an organization possibly be examined in one hour and a half on one day in one year? It is just not possible to carry out the required examination.

So we come to the matter of this particular committee which is to be set up, a committee which is supposed to study the reports of a commission comprising 70 experts and economists who should be able to do the study themselves. We are supposed to study them. This motion suggests that a special joint committee of Parliament be set up to study the reports of the Prices and Incomes Commission and to report back to Parliament its observations and opinions thereon. In other words, it is to be a committee to report from time to time upon a series of reports, because the terms of reference of the commission do not expire until December 31.

I note that one subject being examined by the commission on prices and incomes is railway freight rate increases. The wording is, "A review is under way on railway freight rates increases". If we go back to the time when the Canadian Transport Commission was established, a great show was made by that commission in respect of taking all subsidies away from the railway. They were going to make the railways self-supporting. What happened? As soon as the subsidies were taken away, what happened to the people of Canada? They found they had to pay higher freight rates for everything they bought.

In this day and age we depend a great deal on the transportation of products from one end of the country to the other and from one part of the world to another. Freight rates represent a tremendous part of the cost of all goods which people buy and a great many of the services they use. So I maintain that the Prices and Incomes people should not be examining this matter; the government should go to the railways and the Canadian Transport Commission and have the freight rate subsidies reinstated.

We introduced a fund of $28 million to keep freight rates on an even keel. We never used the whole amount, but in the four years we were in power freight rates were held at the rate at which they were when we came into power, because we knew if they were increased the effect would be inflationary. Now we have government policy which definitely is inflationary and it is related to the bill which established the Canadian Transport Commission. We have mentioned this matter in the committee and in this House, to no avail.

We can anticipate that the final report of the commission, provided its life is not extended, will appear early in 1972, and the final report of the parliamentary committee upon the final report of the commission will appear some time in the late spring of 1972. That is at least two years from now. Royal commissions and parliamentary committees are often absurd enough in their own right, but to combine them as in this instance is to pile absurdity upon absurdity.

• (3:50 p.m.)

Is the government, in proposing this motion, telling the country that it intends to take no effective action to combat inflation until the Prices and Incomes Commission reports its opinion on the "causes, processes and consequences" of inflation and this new parliamentary committee then reports upon that report some time in the spring of 1972? Does the government believe that if it appoints enough royal commissions, parliamentary committees and task forces, inflation, unemployment and the rising cost of living will steal away? Is this the siren song of the Prime Minister (Mr. Trudeau) to beguile Canadians, "Manãna, manãna and still more manãna"? Some day the Prime Minister will awaken and find he has run out of manãnas and he will hear the swan song dedicated to him by the Canadian people, "Yes, we have no manãnas, we have no manãnas, today".

I am not one of those who put the Prime Minister down as a member of the pot generation, but I must say he shows an excessive reluctance to get off his pottie. Let us not emulate the childish habit of the Prime Minister. This government motion, proposed by the Prime Minister's colleague, the Minister of Consumer and Corporate Affairs (Mr. Basford), whose ends perhaps are somewhat confused, is nothing but an invitation to all of us to sit in solemn silence on our collective potties while the minister, with a loud voice at one end and no responsibility at the other, burps contentedly that all is for the best in this best of all possible worlds.

We propose that if we are to have both a royal commission and a parliamentary committee, they should at least work concurrently and not consecutively. We propose that the terms of reference of the committee be widened to parallel those of the commission. This course has obvious advantages. There is the saving in time; the committee will not sit awaiting reports from the commission. There can be an avoidance of duplication; the committee need not review something that has obviously been thoroughly and exhaustively investigated by the commission.

I ask: With the great retinue of people working for the commission, why do we need to examine their reports? The committee can go on to something else and thus save the time of the commission. It is a fact that the powers of the parliamentary committee are much wider than those of the commission. Both the government and the commission have admitted that the commission is constitutionally hamstrung in the witnesses it can call and the evidence it can force to be produced. The parliamentary committee is not so chained. It can summon whom it likes, investigate whatever it likes within its terms of reference and require the production of whatever evidence it wants. The commission can use the extra powers of the parliamentary committee to assist in its investigations. Equally, the parliamentary committee can use the large and expert staff of the commission without having to build up a large, expensive staff of its own.

Time is of the essence in this inquiry into inflation if the government honestly means to seek the advice of both the parliamentary committee and the commission. By useful cooperation, the parliamentary committee and the commission can shorten the period in which the investigation is made, the interim reports are given and the final report released.

We intend to propose an amendment to this motion. If it is not accepted, it would appear that the government's motion is disclosed as only another roadblock camouflaged as action in the fight against inflation, that it is only another exercise in the gentle art of pottie-sitting.

I move:

That the motion be amended by adding thereto, immediately after the word "appointed", the following:

"to inquire into the causes, processes and consequences of inflation and"

Mr. Baldwin: Mr. Speaker, I assume from the contemplative look on your face that you are disposed to give the matter some thought. I know Your Honour and your advisers will be looking very seriously at Standing Order 47. May I point out that the specific wording of that Standing Order deals with what would appear to be a possible prohibition from making an amendment of this kind when there is reference of a question to Committee of the Whole—this reference is not to Committee of the Whole—to a standing committee, and this reference is not to a standing committee, or to a special committee. With due respect, I suggest that the words "special committee" refer to special committee of the House. It may well be that if it was intended to inhibit this type of amendment with regard to a special joint committee, the words "special joint committee" would be inserted therein.

The people who framed the rule said that you cannot refer it to Committee of the Whole, you cannot refer it to a standing committee, nor can you refer it to a special committee, which can only be a special committee of the House. There is a general rule of law applied here, that the mention of the one is the exclusion of the other, and we are not mentioning special joint committee. I can see a good reason for that. When we have a joint committee, which includes the Senate as well as the House, quite obviously we are beyond the rule, so the failure to include in these specific words the designation of the type of committee to which reference can be made and in respect of which there can be no amendment means it does not cover a special joint committee.

I am sure that my words will commend themselves to Your Honour and that when you have considered the matter you will be quite happy to accept this sound and salutary amendment.

Mr. Deputy Speaker: I should like to clarify the position of the Chair at this stage. The hon. member for Peace River (Mr. Baldwin) was quite right when he indicated that he suspected I have some objections in this regard. The preliminary objections I have do not really lie within the area he discussed. My worry lies in the fact that the amendment may expand the motion before us beyond the contents of the original notice.

I am prepared to hear an argument now. However, I was going to suggest that I would take the matter under advisement so that I could consult the relevant citations and the learned officers of the table before ruling. If it is agreeable—and I do not want to prevent the hon. member for Peace River or the minister speaking, if they so wish—I would prefer to make a ruling after I have had a chance for further consultation.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, there is a reason for my wishing to say a few words at this point, and while I am on my feet I shall disclose my reason. First, may I say that if consideration has to be given to the procedural admissibility of the proposed amendment, I would like to argue that it does have validity. I heard what Your Honour said about enlarging the terms of reference, but I would ask that in your consideration of the matter you look at and study citations 201, 202 and 203 of Beauchesne's fourth edition. These are the citations that set down the general rules about amendments, suggesting that they can leave out certain words, put some other words in, and so on. But these citations also say that there has to be relevancy. I should like to read the following from citation 203:

> The law on the relevancy of amendments is that if they are on the same subject-matter with the original motion, they are admissible, but not when foreign thereto.

It seems to me that in view of the fact that the motion in the name of the minister asks the special committee to consider the reports of the Prices and Incomes Commission, surely anything that comes within the ambit of the work of the Prices and Incomes Commission is relevant. I know of nothing more relevant than the causes, processes and consequences of inflation. Therefore, it would seem to me that the amendment proposed by the hon. member who has just resumed his seat is one that should be considered in order.

• (4:00 p.m.)

However, I said I would indicate my particular reason for intervening at this point. It so happens that the next speaker is to be my friend and colleague from Winnipeg North (Mr. Orlikow), and I hope that I am not stealing his thunder if I indicate that he proposes to move an amendment. Until the present amendment has been ruled on, is my colleague's amendment an amendment or a subamendment? If there is no ruling at this point, I should like to suggest that my colleague be permitted to present his amendment subject to Your Honour's ruling on the first one. If the amendment of the hon. member for Wellington-Grey (Mr. Howe) is

allowed, then my colleague's amendment could be a subamendment thereto. If the amendment proposed by the hon. member for Wellington-Grey is disallowed, then my colleague's proposed amendment could be an amendment to the main motion. Therefore, if Your Honour is not ruling at this point on the validity of the amendment that has been proposed, I hope it will be considered in order for my colleague, at the conclusion of his speech, to present his amendment subject to Your Honour's ruling on the first one.

Mr. Basford: Mr. Speaker, on the point of order, as I understand it, it is your wish to consider the amendment of the hon. member for Wellington-Grey (Mr. Howe) as to whether it is in order. If possible, I would like to reserve my position on whether it is in order until that time.

I rise really on the question raised by the hon. member for Winnipeg North Centre (Mr. Knowles) simply to indicate my feeling that the procedure he requests of Your Honour is agreeable to me, namely, that Your Honour reserve decision on the amendment now before the House so that we may have the issues properly before the House for the purposes of debate—even if there has been no decision by Your Honour on the first amendment—and that the hon. member for Winnipeg North (Mr. Orlikow) be allowed to move, as he apparently intends to do very shortly, another amendment.

Mr. Baldwin: Mr. Speaker, might I interpose that this matter could be very simply disposed of if the minister, having been greatly impressed by what was said by the hon. member for Wellington-Grey (Mr. Howe), by the hon. member for Winnipeg North Centre (Mr. Knowles), and in lesser vein what is being said by myself, would see fit to accept the amendment of my distinguished colleague and that which I understand is going to be proposed by the hon. member for Winnipeg North (Mr. Orlikow). This would simplify matters and show the minister to be the container of a great degree of common sense.

Mr. Deputy Speaker: Unless there is unanimous agreement to accept the suggestion made by the hon. member for Peace River, I think it would be wiser to follow the course of action suggested by the hon. member for Winnipeg North Centre. There are one or two points I should like to clarify in my mind before ruling on the amendment, but that would not preclude the hon. member for Winnipeg North moving an amendment at the conclusion of his remarks.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Basford: Mr. Speaker, the hon. member for Wellington-Grey concluded his speech and sat down while I was reading his amendment. You will recall that I endeavoured to ask a question which he said he would accept at the end of his speech. Would he now allow me to ask my question?

Mr. Howe: Yes, Mr. Speaker.

Mr. Basford: The hon. member was very critical in saying that my department did not appear to be doing very much. In view of this I wonder why his party, the official opposition, in connection with the inordinately high price of pharmaceutical drugs allied itself with the international pharmaceutical bandits who were charging the high prices and caused a year's delay in the passage of legislation, as a result of which that legislation is only now becoming effective? Further, when we have legislation before the House which would give the department much greater powers to investigate and inquire under the Companies Act and deal with embezzlers, defrauders and those sorts of people, his colleague the hon. member for Edmonton Centre (Mr. Paproski) is violently opposing the passage of the legislation, so that the department cannot acquire this power.

Mr. Howe: I certainly deny the allegations made by the minister, and I do not think it is fitting for a man in his position to make allegations of that type. Certainly the 11 per cent sales tax was taken off drugs, but did it have any effect? It did not, Mr. Speaker, for the simple reason that the inflationary pressures created by the government had eaten up this relief bit by bit until it represented no assistance, and drugs were no cheaper.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it is not surprising to members of the New Democratic Party that the government brings forward the resolution proposed today by the Minister of Consumer and Corporate Affairs (Mr. Basford). When we get the kind of increases in the cost of living which we have had in Canada in recent years, and the kind of complaints which have resulted from them, the government must appear to do something even if it does not really intend to do something. So, we have a resolution proposing another parliamentary committee.

Let me put on the record just what has happened to the cost of living in Canada in recent years. These figures can be found in an interesting discussion of government policy, both monetary and in relation to prices and incomes, prepared by Professor Grant Reuber of the University of Western Ontario. I am sure the minister has these figures in his possession. In 1966 the cost of living went up 3.6 per cent, in 1967 4.1 per cent, in 1968 4.1 per cent, and in 1969 despite the government's alleged program to deal with inflation, the cost of living went up by 4.6 per cent.

That inflationary spiral is continuing. While the government is conducting its so-called campaign against inflation, unemployment is rising at an alarming rate. Let me use the figures for the same month of each year so that nobody can argue that I am trying to exaggerate the situation or to cook the figures, as the Prime Minister (Mr. Trudeau) suggested the other day when questions were asked of him. Let us take the figures for the months of March during the last four years. In March, 1967, 5.3 per cent of the labour force of Canada was unemployed; in March, 1968, 6.4 per cent of the labour force of Canada was unemployed; in March, 1969, 5.7 per cent of the labour force of Canada was unemployed, and in March of the present year 542,000 people, representing 6.7 per cent of the total labour force, were unemployed.

Increasing unemployment is a direct result of the government's policies which are supposedly designed to deal with inflation. The government's policy for dealing with inflation, and with respect to which the proposed committee will function, is one of voluntary restraint. Let me put on the record what the government and its key officials have said about this policy. I quote from a story by Victor Mackie in the Winnipeg *Free Press* of December 23, 1969:

> Prime Minister Pierre Trudeau warned Canadians Monday they must join with the federal government in fighting inflation with greater vigor in 1970 or run the risk of a devalued dollar, a destroyed middle class and soaring unemployment.

We have got both higher inflation and soaring unemployment.

The Prime Minister is quoted further:

> "In 1970 . . . we have no choice but to fight inflation . . .
>
> "We can only get tougher, we will not get weaker," he promised as he sought to impress the press conference with the determination of his government to cope with inflation.
>
> "Some say the government will get frightened if unemployment goes up as we fight inflation. If they think we will lose our nerve they are wrong. We will not," he said.

• (4:10 p.m.)

He said in the same interview that he would not be afraid of a 6 per cent unemployment rate. He was not afraid, but we now have an unemployment rate greater than 6 per cent. A report in the *Globe and Mail* of February 3, 1970, about a speech of the governor of the Bank of Canada, Mr. Rasminsky, says as follows:

> Louis Rasminsky, governor of the Bank of Canada, defended Canada's anti-inflation measures yesterday by saying that without the restraints, the situation would have been worse.

The newspaper report goes on as follows:

> On the cost side, the evidence is no more encouraging. Average weekly wages and salaries in Canada continue to show a year-to-year gain in the range of 7 to 7.5 per cent, which was greatly in excess of the trend of productivity increases—

Then the governor is quoted as saying:

> The Prices and Incomes Commission has recently taken an important initiative, which deserves the full support of the whole community.

In other words, the governor was speaking of policies of restraint. The chairman of the Prices and Incomes Commission spelled out what these policies mean in an interview with David Crane, as reported in the *Globe and Mail* of April 24, 1970. The newspaper report says as follows:

> Asked if, following the failure to reach an accord with leaders of organized labor on voluntary restraint, a program including controls was being considered, Mr. Young said people would have to wait and see—
>
> Mr. Young publicly attacked leaders of organized labor in a Calgary speech earlier this month for their refusal to support the restraint program and said they would consequently have to accept some responsibility for growing unemployment and declining industrial production in Canada.

In his speech today the minister regretted that the two major Canadian trade organizations, the Canadian Labour Congress and the Federation of National Trade Unions, rejected the government's urgings for policies of restraint. Although the minister compared increases in the cost of living that have taken place in various countries—including Great Britain—and in Canada, he did not compare unemployment rates, saying he did not have those available when asked about them.

Well, I happen to have them here. My source is the International Labour Organization Year Book of Statistics for 1969. The seasonally adjusted unemployment rates are set out in it. It lists the percentage of the labour force unemployed in 1969. These are the rates for some of the major industrial

countries of the western world: Norway, 0.6 per cent; Germany, 0.5 per cent—in other words, half of 1 per cent—Holland, 0.9 per cent; New Zealand, 1.3 per cent; Australia, 1.4 per cent; Denmark, 1.6 per cent; Sweden, 1.9 per cent.

In the United Kingdom, the country the minister said had experienced a cost of living rise greater than that in Canada, the unemployment rate in 1969 was 2.2 per cent. In Finland the rate was 2.3 per cent; in Italy, 3.1 per cent; in Belgium, 3.3 per cent; in the United States 4.1 per cent. In Canada—I hope the minister is paying attention—the rate was at 4.6 per cent, the highest of all those countries. Is it any wonder that the leaders of the two major labour federations have rejected the government's policies?

There are reasons other than those involving unemployment that lie behind the rejection. I suggest, first, that those organizations have rejected the government's policies because those policies would inevitably, as I have already said, lead to more unemployment. The Prime Minister himself called for higher unemployment when he said he was not afraid of a 6 per cent unemployment rate. Secondly, the government's policies of restraint give no protection to poor people who are working for very low wages, who have fixed incomes, who receive pensions or welfare payments and who are locked for various reasons to fixed incomes. There is no protection for them in the government's policies of restraint.

Thirdly and most importantly, the government's policy of restraint ignores all sources of income but wages. I have challenged the chairman of the Prices and Incomes Commission again and again, as I challenge the minister, to give one illustration showing that the chairman of the Prices and Incomes Commission has ever called on any group except the working people, has ever called on any organization such as the Canadian Manufacturers Association, the Canadian Chamber of Commerce, the Canadian Medical Association, the Canadian Pharmaceutical Association or any similar organization, to show the kind of restraint which it is demanded that leaders of labour ask their members to show.

May I talk about some of the groups I have just mentioned. Representatives of the medical profession attending the conference of which the minister speaks about so proudly said that profession would not raise its fees. Why shouldn't they agree not to raise their fees? Has any group in Canada enjoyed a greater bonanza than the medical profession has enjoyed in the last couple of years as a result of medicare plans and being able to collect all fees for all the work done? And those fees have been increased.

If the minister wants to see it, I can show him proof that the doctors in my province, Manitoba, have increased their fee schedules in the last two years by over 50 per cent. Has any group of workers increased its pay rates by anything close to 50 per cent in that period? Certainly the doctors offered to hold the line. Having stolen the horse, they are now prepared to lock the barn door. The same thing goes for engineers. Allow me to cite some more examples, Mr. Speaker.

The *Globe and Mail* in February of this year carried a report prepared by H. V. Chapman and Associates Ltd. on the percentage of executives who earned more than $20,000 in salaries and bonuses. Their incomes in 1969 rose by 9 percentage points over their incomes for 1968, and in 1967 and 1966 there were similar increases. In other words, in those four years executive incomes rose by 40 per cent. I did not hear the chairman of the Prices and Incomes Commission lecturing the presidents of the Canadian Chamber of Commerce or the Canadian Manufacturers Association and urging them to hold the line on executive salaries.

The University of Toronto professors obtained a unilateral pay increase, as announced on April 25 of this year, for next year of 10 per cent. The professors at York University obtained an increase for next year of 14 per cent. I am not suggesting this is too much, but I have not heard any appeals on the part of the government or the chairman of the Prices and Incomes Commission to presidents of Canadian universities asking them to hold the line.

Let us also look at the salaries of the top civil servants, the people who are giving advice to the Prime Minister and the Minister of Consumer and Corporate Affairs. The salary of the governor of the Bank of Canada was recently increased from $50,000 a year to $75,000 a year.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Hold the line!

Mr. Orlikow: The government keeps as much of this sort of thing as possible secret, but I presume that along with the $25,000 increase in salary the governor of the bank obtained a comparable increase in his pension benefits. When the governor of the Bank of

Canada lectures ordinary working people to show restraint, I suggest he might begin by showing some restraint himself. The Deputy Minister of Finance has also been quoted as supporting the government's policies of restraint. On September 1, 1963, the Deputy Minister of Finance was being paid $24,000 a year. In September, 1969, the Deputy Minister of Finance was being paid between $37,000 and $40,000. The increase in that seven year period was far supperior to anything the average worker woud have received.

• (4:20 p.m.)

On September 1, 1967, the Deputy Minister of Indian Affairs and Northern Development was being paid $26,500. He is now being paid between $35,000 and $37,000 a year. That is a pretty substantial increase in three years. So it goes on down the list. The deputy ministers are doing very well. I am not complaining. Most of them are probably well worth what they are being paid. However, I suggest that restraint should begin with those who can afford it. If we expect the workers to show restraint, we must set an example. This is not being done by those who are setting the policy.

The Minister of Consumer and Corporate Affairs said he could not understand the program and policies of the NDP in relation to the inflationary spiral which we are encountering. It is not that difficult to understand, but the minister does not want to listen. We reject the policy of the government concerning voluntary restraint in fighting inflation in Canada. We submit that policy is futile. In saying this we are joining the best advisers, some of the most eminent economists, academic and professional, in this country.

I wish to quote from the last annual review of the Economic Council of Canada. This council was not appointed by the NDP; it was set up by this government. Some of its members were appointed by this Prime Minister. I quote:

> Further fiscal and monetary restraint could conceivably result simply in higher rates of unemployment and economic slack with no more than marginal effects on current rates of increase in prices and costs.

That report was issued last September. I say to the minister that the members of the Economic Council were a hell of a lot more correct in their predictions of what would happen than the governor of the Bank of Canada, the chairman of the Prices and Incomes Commission and the Deputy Minister of Finance, to whom the government listens. The government does not want to listen to its own Economic Council.

I wish to put on record some comments by the best academic economists in this country. I quote from an article which appeared in Toronto *Star* of April 20, 1970:

> Montreal economist Jack C. Weldon,—

A professor at McGill University.

> —said the policy has resulted in 12 per cent of French-speaking males in Quebec being out of work.
>
> This will be translated into Parti Quebecois and Creditiste votes in the April 29 Quebec general (election), the McGill University professor warned —and will threaten national political stability.

By coincidence I am speaking on April 29. I wonder whether the Minister of Consumer and Corporate Affairs would care to speculate either publicly or privately about how many hundreds of thousands of votes the Parti Quebecois will get today because of the stupid restrictionist policies being put forward by this government which supposedly believes in one Canada. Professor Weldon goes on to say:

> The government has allowed its prestige to be tied to a goal that was irrelevant and could not be achieved destroying inflation ... and it has abandoned its power to attain a very important goal: A reasonably high level of employment—

Senator Lamontagne, a former cabinet member, a man who had served on a number of royal commissions, recently made a speech in Toronto. This article in the Toronto *Star* reads in part:

> Senator Maurice Lamontagne, an economist and former Liberal secretary of state, reaffirmed last night his belief, expressed in Toronto last month, that Ottawa's policies demonstrate an "unconscious cynicism" since their main effect is "to reduce employment and curb the development of the weakest spots in our economy."

Later on the article states:

> Mrs. Rosalind Blauer, assistant professor of economics at Brock University in St. Catharines, also disagreed with Trudeau's analysis of unemployment.
>
> She said Canada is buying very little gain in price stability with major sacrifices in production, and at heavy social cost.
>
> She argued that pensioners and welfare recipients are the only ones really hurt by inflation, and that the government could compensate these groups for inflation at relatively little cost to the rest of the taxpayers.

That is a concrete suggestion. Of course, the government will not listen because it does not fit into their Hoover-type of economic thinking. We regard the Prices and Incomes Commission as a patsy and frontman for the

government. We believe the chairman has forfeited the right to be considered as an objective and honest person dealing with this country's grave social and economic problems. We believe that the present activities of the commission have no effect on inflation. The government is using the commission to do and say things which the government does not have the courage to do. The commission is calling for restraint mainly, if not exclusively, on wages and not on other sources of income such as salaries, rents and dividends. We believe the results of the commission's conference on price stability with business and industry was a complete fraud. The minister talked glowingly about the results achieved there.

I suggest that the commitment which the minister received from the captains of industry to keep prices below increased costs was so conditional as to be almost totally ineffective. Let us look at some of the results before and since the commission held that conference. In my question to the minister earlier I referred to what happened to the price of copper. Since January 1, 1969, the price of copper to Canadian users has increased by 30 per cent. Copper is used in the production of almost every commodity in Canadian industry. For the government to be proud of what they have done in controlling the price of copper would be ludicrous if it were not so serious.

I wish to now deal with the price of nickel, which increased last year by over 25 per cent. What happened when that price increase was announced? The United Steel workers of America, which represents nearly all, if not all, the workers engaged in the production of nickel, called on the Prices and Incomes Commission to hold public hearings. Their call was rejected and ignored. I wish to put on record exactly what happened. I read from the December, 1969, issue of *Steel Labor*, the official publication of the United Steel workers of America:

> Ottawa's Prices and Incomes Commission are continuing their semi-private "investigation" into steel price increases and wage boosts but have caved in completely in the face of International Nickel's colossal 25 per cent price boost.
>
> After visiting Canada's steel companies "privately," the Prices and Incomes Commission summoned Steelworkers' representatives to a meeting in Ottawa on Thursday, November 13. Accompanied by CLC secretary Dodge and research director Russ Bell the Steelworkers' group composed of national director Mahoney, research director Milling and research assistant Norton, refused to meet unless the discussions were taken down in detail by a court reporter.

[Mr. Orlikow.]

• (4:30 p.m.)

The minister will gather that they have already had so much experience with the Prices and Incomes Commission that they are not willing to proceed unless there is a court reporter present to make sure they would be reported honestly.

> The steelworkers have agreed to supply—on condition that the information be made public—details about productivity and labour cost improvements. Copies of the data are being supplied to the steel companies. No similar data is being supplied by the companies to the union and no details of discussions with the steel industry have been made public.
>
> The real cave-in on the part of the federal Liberal administration came when super-corporation INCO, after charging that the recent wage settlement was "inflationary" refused to join in a union request for an investigation into wages and prices and then announced a massive 25 per cent price hike. Ottawa, asked by district director Sefton to investigate the situation, backed off in a rush.
>
> Rough estimates indicate that the cost of the recent settlement would be less than (Canadian) $86,000,000.
>
> This was more than offset by the increase of 9 cents per pound announced by INCO prior to 1969 bargaining. Combined with the latest increase, the two price boosts should produce extra INCO revenues valued at more than $700,000,000 (Canadian dollars) during the contract period, enough interest free dollars to finance most of the corporation's projected international expansion program for the same period.

You see, Mr. Speaker, a wage increase of $86 million brings about a price increase which will bring the company $700 million. What does the government do about it? What does the Prices and Incomes Commission do about it? Nothing at all. Is it any wonder that the labour movement is unhappy? Is it any wonder that the labour movement rejects the appeals of the Prices and Incomes Commission?

We have heard about the banks. The banks agreed at the conference not to increase their rates of interest. The interest rate on bank loans has never been as high as it is today. Let me put on record the situation of the banks. I quote from the *Globe and Mail* of February 25, 1970:

> Aggregate profit—after taxes and appropriations for losses—of the seven largest chartered banks in the year ended October 31, 1969, was more than $157 million. This was a 26.5 per cent increase from the previous year, which was 13 per cent higher than the fiscal 1967 level.

This is an increase of 40 per cent in two years. Is it any wonder that the banks should have agreed very quickly to hold the line? Why shouldn't they? They have already robbed the Canadian people blind. I could go

on and talk about the way in which Eatons and Simpsons have increased credit charges, and so on. This is why the labour movement, the economists, the New Democratic Party, reject the work of the Prices and Incomes Commission. The commission's investigations are held in secret. There is no opportunity for the workers in the industry or for the consumers affected to look at the books and examine the submissions made to the commission.

Incidentally, submissions are called for only after price increases have been announced and are put into effect. The review procedures established by the commission are heavily biased in favour of industry and commercial groups.

An officer of the industry concerned is seconded to the commission to perform the analysis. In other words, it is like saying to a robber, "Please come in and look at the books and tell us if you are taking money out of the till." Could anything be more ludicrous?

Finally, the reports of the commission do not contain any detailed documentation to enable them to be analysed. As hon. members know, the commission conducted a survey into the price increases related to tinplate. The report showed that companies can raise their prices and still abide by the letter of the price restraint formula to which they agreed and of which the government and the commission are so proud; they can still make the price increases they have in mind, increases which the commission says are inflationary. Yet nothing can be done.

The minister says he does not understand what we in this party propose. I intend to spell out in clear terms what our policy is, and even this minister will be able to understand provided he has the grade 3 education about which the hon. member for North York (Mr. Danson) spoke earlier today. We call for the disbanding of the Prices and Incomes Commission. We propose its replacement by one which would control the price of key commodities, commodities of basic importance to the Canadian people, while placing restraint on all forms of income, not just on wages as seems to be the main objective of the present chairman of the Prices and Incomes Commission.

To achieve equitable distribution of income and to ensure that sacrifices, if necessary, will be made by all levels of society, not just by the poor, we propose a comprehensive incomes policy which would cover all forms of income, that is, it would include profits, rents, interest, professional fees and unincorporated business incomes. If this policy were followed, the government would not be experiencing its present difficulty in securing the support of organized labour. The Prime Minister and the minister have been critical of organized labour because in its submission this year it was not practical; it was negative, it only criticized.

It is not for me to defend organized labour; I am certainly not an official spokesman for them. But I believe it is important to look at the submissions of the Canadian Labour Congress in 1968 and 1969. I am sure one would find in those submissions proposals for an incomes policy. In other words, the Congress of Labour was saying that if the government would place some restraint on other forms of income, they, the congress, would be prepared to support the application of restraint to wage increases affecting organized workers. I imagine they got tired. They found that the government was not interested, that it was not prepared to put the squeeze on those whose salaries were rising rapidly, or on the businessmen who were making more money every year and who are permitted to charge off all sorts of extras, when making up their income tax returns, which working men are not in a position to include. The congress saw that the government was not prepared to put some restraint on the earnings of the professional people I have mentioned. The government is only interested in putting restraint on workers' wages, and this being the case the CLC is not endorsing the incomes policy. A comprehensive incomes policy such as we propose must include the provision of a guaranteed income to avoid injustice and hardship. It must take account of the plight of low-paid workers, disparities between classes of employees and increases in the cost of living.

• (4:40 p.m.)

Let me approach the conclusion of my remarks by telling the minister that if he wants to know what we in the New Democratic Party think should be done specifically to meet the problems of the 1970s, I would refer him to the minority report prepared by members of the New Democratic Party on the Finance, Trade and Economic Affairs Committee when it dealt with the subject of interest rates. I should like very briefly to put on the record some of the measures they proposed:

1. We should immediately compensate the victims of inflation by ensuring that welfare benefits rise at least as fast as the cost of living index:

—by abolishing the ceiling of 2 per cent per annum which the Liberal government has imposed on the rise in old age pensions and benefits under the Canada Pension Plan.

—by regular increases in the minimum wage and farm and other primary support prices.

—by requiring private pension plans to be based on best years' earning with a cost of living escalator.

2. Immediate steps should be taken to monitor the allocation of credit by the financial system in Canada.

This would mean that those projects which have some social benefit would get the money they needed, instead of only those that make the most money.

3. The profits of financial institutions resulting from higher interest rates must be stopped.

I have already illustrated what happened to the profits of the banks.

4. In order to control profits of financial institutions, interest rates and credit allocation and to give the central bank a lever that it might use to have greater immediate control over the financial system we propose that all financial institutions engaged in the business of banking be regulated by the Bank of Canada whether they be federally or provincially incorporated.

5. As we indicated earlier, one of the areas where the existing structure of institutions was responsible for price increases in Canada resulted from our trading relationships with the rest of the world. To give us more freedom of action until such time as the world monetary system becomes more flexible we propose that Canada immediately move to a floating exchange rate.

6. Since advertising and promotional costs contribute to inflation by raising the costs and prices of many consumer goods, which in turn, stimulate credit expansion etc.—some form of tax on advertising promotion would have a lot of validity.

7. We reject the present condition in which social capital formation rather than private capital formation must bear the brunt of harm done to the long term capital market by inflation.

The minister has talked about how the provinces at the conference on inflation which was called by the federal government agreed with the federal government. I do not want to say that the minister was not telling the truth, but I do say that it is certainly stretching the truth a long way to say that. Anybody who read the submission of the government of Manitoba to the conference knows that it placed emphasis on the need to look after the plight of those people in need and the need to put public good and benefit ahead of private good and benefit before adopting a policy of restraint. It was only partly agreeing with the federal government's program. I do not want to be unparliamentary, but I say that is really stretching the truth.

[Mr. Orlikow.]

Having said that, I propose to move an amendment to the resolution introduced by the minister. This amendment proposes two things. It seeks to amend the resolution on two grounds. First of all, we propose that the Senate be excluded from the committee. Secondly, we propose a substantial widening of the powers of the committee. Without going into detail—some of my colleagues who will be following me will spell this matter out—we object to the inclusion on the committee of members of the Senate, for obvious reasons. We believe it is plain and that the record is clear that there would be an obvious conflict of interest on the part of many members of the Senate. We find it difficult to believe that Senators who are directors of industrial and financial corporations in Canada can be entrusted to protect the consumer's interests in Canada. Let me give one illustration. The chairman of the Banking Committee of the Senate, Senator Hayden, is a director of more than a dozen corporations.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but I am afraid his time has expired.

Mr. Orlikow: I wonder whether I could take the time to move my amendment, Mr. Speaker.

Mr. Deputy Speaker: Perhaps I should inquire whether there is unanimous consent to allow the hon. member to continue so he can move his amendment.

Some hon. Members: Agreed.

Mr. Orlikow: For the reasons I have mentioned, I move the following amendment, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the motion be amended, (a) by deleting the words "joint" and "Senate and" from line one; (b) by deleting the words "Joint Parliamentary" from line two; (c) by inserting in line three, after the word "appointed", the words "to inquire into and report upon the trends in the cost of living in Canada and factors which may be contributing to changes in the cost of living:" (d) by deleting from line eleven the words "act on behalf of the House as members of" and by substituting therefor the word "comprise"; and (e) by changing the semicolon after the word "evidence" in line fifteen to a period, by deleting the word "and" at the end of the said line and by deleting the final paragraph of the said motion.

Mr. Basford: Mr. Speaker, on a point of order, I am not sure what Your Honour's disposition of this amendment will be, but in view of the fact that it is ten minutes to five and that the hon. member for Peace River is

anxious to speak, I wonder whether we should defer a ruling on both these amendments at this time. I take the position that both of them are out of order and are not relevant to the motion before the House, but I will advance my reasons later. In the remaining ten minutes—

Mr. Knowles (Winnipeg North Centre): We go to six. There is no private members' hour.

Mr. Basford: I am sorry.

Mr. Deputy Speaker: My proposal is as follows. I think at this time I would be in a position to make a ruling on the amendment moved by the hon. member for Wellington-Grey. I would reserve my decision on the second amendment, though having given it a cursory reading I suspect that substantially the same objections will apply. However, in view of its complexity and in fairness to the hon. member for Winnipeg North, I should like to give it the same attention that I gave the first amendment. If the House is disposed to hear my ruling on the first amendment now, I will proceed to give it unless there are some procedural points that hon. members would like to raise.

Mr. Baldwin: Mr. Speaker, I would address myself for one moment to the first amendment because I anticipated an objection along another line from that which the Chair was going to consider. If the question whether the amendment departs from the purposes of the original motion is part of Your Honour's thinking, may I address myself to that point for a moment. I think I can express my views simply by saying that if Your Honour is well acquainted, as I am sure you must be, with the terms of reference of the Prices and Incomes Commission—which are engraven upon the hearts of all Canadians—you will realize that the terms of reference are so wide with regard to the whole question of inflation and the cost of living that any special committee of the House and Senate considering reports from the Prices and Incomes Commission would in fact be directing its attention to matters with which the Prices and Incomes Commission is dealing and would be brought, of course, squarely within the additional words proposed by the hon. member for Wellington-Grey, which are "to inquire into the causes, processes and consequences of inflation".

• (4:50 p.m.)

This is what the Prices and Incomes Commission is directed to do under the Order in Council setting it up and under its terms of reference which were added to, I think, subsequently. Consequently, when its reports are received by this special committee, the committee would be bound to inquire into them in total and the inquiry would encompass a wide enough range to deal with what has been submitted by my honourable, learned and distinguished colleague from Wellington-Grey, namely, the causes, processes and consequences of inflation. These words must be assumed to be read into the motion to start with. My hon. friend in simply correcting the omission of the drafters failed and is putting in those things which will engage the attention of the joint committee if it is in fact set up.

Mr. Basford: Mr. Speaker, we take the position that the amendment is out of order for the reason that it is not relevant to the motion suggested by the hon. member pursuant to citation 203 of Beauchesne's fourth edition. There is merit in the argument that a general inquiry should not be held and that the committee should be limited to the reports of the Prices and Incomes Commission.

If the amendment should be ruled to be in order, I would debate the merits or demerits of the amendment. It would seem to me, however, that to say it is relevant and in order would be to say that if we had before us a motion that a committee be established to consider the annual report of the CNR, this committee would be allowed to examine the over-all transportation policy of Canada. That would not be relevant to a study of the annual report of the CNR by a committee. The same thing would apply if the annual report of Air Canada was being referred to a committee and someone should move that the whole air policy of Canada be examined. I do not think this would be relevant to the consideration of the report. I submit that the motion is out of order because it goes beyond the original motion and is not relevant to it.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, although I intervened earlier and indicated my support for this amendment procedurally—and I also support its substance for that matter—I should like to say a few more words before we have a ruling from the Chair. The Minister of Consumer and Corporate Affairs has at least done us the courtesy

of making clear why he thinks the amendment is out of order. He says that in his view it is out of order because it is not relevant to the motion now before us. I find it awfully hard to understand how an inquiry into the causes, processes and consequences of inflation is not relevant to reports of the Prices and Incomes Commission. What in heaven's name is that commission doing if it is not conducting studies in this very area?

Perhaps, Mr. Speaker, I might take a moment to place on the record the relevant part of the motion as it stands and then to give it as it would read if the amendment were accepted. The motion as it stands calls for a committee to be "appointed to consider reports of the Prices and Incomes Commission and such other related reports or papers as may be referred to the committee". If the amendment of the hon. member for Wellington-Grey were accepted, the motion would read that such-and-such a committee be "appointed to inquire into the causes, processes and consequences of inflation and to consider reports of the Prices and Incomes Commission and such other related reports and papers as may be referred to the committee". It seems to me the insertion of the words "placed before the House" by the hon. member for Wellington-Grey would not do any violence whatsoever to the law of relevancy. If my hon. friend were to argue that the words are not needed because the authority is already there, he might have a point, except I do not think that would interfere with its procedural validity.

On the other hand, it would seem to be very clear that what is being sought by the hon. member for Wellington-Grey is relevant to what is before us in the motion of the Minister of Consumer and Corporate Affairs. I wonder if I might take a moment longer to spell out those portions of Beauchesne to which I alluded earlier. I would draw Your Honour's attention to citation 201 which gives the general rationale for amendments and says in the concluding paragraph at the top of page 169 as follows:

> A motion may be amended: (a) by leaving out certain words; (b) by leaving out certain words in order to insert other words; (c) by inserting or adding other words.

There is no problem there. The hon. member for Wellington-Grey takes advantage of part (c) and proposes to insert certain other words. I realize that this must be read in the light of the other rules on the subject. Citation 203 (1) states:

> It is an imperative rule that every amendment must be relevant to the question on which the amendment is proposed. Every amendment proposed to be made either to a question or to a proposed amendment should be so framed that if agreed to by the House the question or amendment as amended would be intelligible and consistent with itself.

One reason I read the motion as it would read if it were amended is so that the consistency and intelligibility of it would be quite clear. Then we come to the other part of citation 203 (1) which states:

> The law on the relevancy of amendments is that if they are on the same subject-matter with the original motion, they are admissible, but not when foreign thereto.

Then there is a bit about exceptions having to do with amendments going into supply or ways and means. That sentence of course can be left out of further editions of Beauchesne, and let him who is interested take note. Then I draw attention to the fact that there are certain other observations. For example, citation 203 (5) says:

> An amendment was ruled out because it raised a new question which could only be considered on a distinct motion after notice.

This motion does not raise a new question. It just seeks to make perfectly clear that the committee in considering the reports of the Prices and Incomes Commission has the authority to inquire into something that is part of the work of that committee, namely, the causes, processes and consequences of inflation.

• (5:00 p.m.)

Therefore, it does seem to me that this amendment should be allowed. If I am pressing this, it is because I have seen a good many attempts to amend motions setting up committees turned down on procedural grounds. I just do not think it is right in terms of the philosophy or in terms of the processes of Parliament that if a proposal is made to set up a committee—the proposal being made by the government—the only choice we have is to take it or leave it, that there is no opportunity to alter that on the floor of the House. I should like to go back to citation 201, part of which reads as follows:

> The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who, without such alteration, must either vote against it or abstain from voting thereon, or to present to the House an alternative proposition either wholly or partially opposed to the original question.

As I say, I do not think it is in keeping with the parliamentary process that once the government has proposed a committee and set out its terms of reference there should be nothing we can do about it but vote yes or no. I agree with the Minister of Consumer and Corporate Affairs that there are limits, that if there is a proposal to discuss some aspect of the CNR you cannot drag into it the CPR. I do not agree with what he would not allow to be included under that heading, but I agree there are limits.

I submit, however, that the amendment of the hon. member for Wellington-Grey is well within those limits. I do not want to suggest that there is any weakness in my argument, or in that of the hon. member for Peace River. I do not want to leave any thought that Your Honour can do anything other than rule this amendment in order. But while I am on my feet I should like to make the point that if this amendment is ruled out of order, it does not necessarily follow that all of the amendment proposed by the hon. member for Winnipeg North is also out of order. That amendment is like this one in one respect, in that it modifies the terms of reference part of the motion. But there is something else in it altogether, that is, the proposal that instead of its being a committee of both Houses it should be a committee of this House only.

I hope, therefore, that whatever ruling Your Honour makes on this amendment—and I hope it will be favourable—we can have another go at the procedural aspect of the amendment proposed by my colleague, the hon. member for Winnipeg North.

Mr. Deputy Speaker: I thank hon. members for their contributions. As I indicated earlier, my initial misgivings lay on the central point that has been discussed by all three hon. members, namely, whether this amendment raises a new and substantive question or whether it is simply an amplification. The hon. member for Peace River argued that it was simply a clarification of the motion, and he drew my attention to the terms of reference of the Prices and Incomes Commission. Unfortunately, I do not have the terms of reference of the Prices and Incomes Commission before me and therefore I cannot use them in trying to decide on the procedural validity of the amendment.

I must say I have much sympathy for the position taken by the hon. member for Winnipeg North Centre in his general proposition that amendments should not always be ruled out of order on procedural grounds. There may be a higher argument, referred to as the political process, which should allow for a greater degree of flexibility, and he may have a very good point. But I am not in a position to achieve that higher purpose by way of a ruling. That is something that a committee of the House will have to look into, and I think it is a perfectly valid point.

One of the most difficult things for a Speaker is to be caught in the position of ruling out amendments proposed by hon. members. However, unfortunately, from time to time this is the position in which we find ourselves, and we are bound to be guided by the precedent and citations we have available to us.

In trying to decide whether in fact this is a new or substantive question, for which notice should have been given, or an amplification, I consulted the motion and the operative section seems to me to be the following:

> —the Joint Parliamentary Committee on price Stability, be appointed to consider reports of the Prices and Incomes Commission, and such other related reports or papers as may be referred to the committee.

That seems to be a very specific provision of the motion. The amendment is to amend that motion to include the following, "to inquire into the causes, processes and consequences of inflation".

Faced with that, and without the benefit of the terms of reference of the Prices and Incomes Commission before me, I have had to decide, and I have decided, that in fact this is virtually a new, substantive question. Having made that decision, I was then required to consult previous rulings by Speakers, and also Beauchesne. I have here one ruling which combines both the citations from Beauchesne which I was going to use, plus previous rulings. It is a ruling given by Mr. Speaker Michener on December 7, 1962, which came about as the result of a point of order raised by a distinguished member from the province of Alberta. I will read parts of his ruling:

> On the matter of whether this amendment can be received at all, I would draw hon. members' attention to Beauchesne's fourth edition, citation 291—

That is the citation I was going to use in dealing with this amendment.

> —which reads as follows:
>
> "When the House is considering a motion, of which notice has been given, for the appointment of a select committee, a member cannot move in amendment that the committee be given wider powers than those which were set down in the notice".

Later in his ruling Mr. Speaker Michener quoted a previous ruling by Mr. Speaker Macdonald, and I would like to put this on the record as well. It reads as follows:

I could give the hon. member many more citations and rulings by Speakers. There is one by Mr. Speaker Macdonald which appears in *Journals* for April 4, 1951, page 243. He ruled that "an amendment cannot be moved giving the committee wider powers than those which were set out in the Notice of Motion".

Then, there is another ruling of Mr. Speaker Macdonald's on November 2, 1951, as contained in the *Journals*, page 67. He said, and I quote:

"I might say at this time that if the Minister himself proposed an amendment which would widen the terms of the resolution I could not allow it to stand unless it was with the unanimous consent of the House".

It seems to me that I am faced with substantially the same situation today and I must say, albeit with regret, that I must rule the amendment inadmissible on the grounds I have cited.

Mr. Knowles (Winnipeg North Centre): May I now assume that Your Honour is taking under further advisement the amendment proposed by the hon. member for Winnipeg North?

Mr. Deputy Speaker: As I suggested earlier, out of courtesy to the hon. member for Winnipeg North I should give at least the same amount of thought to his amendment as I did to the first amendment, and I will later be in a position to rule on the motion before the House.

Mr. Knowles (Winnipeg North Centre): Since there are two subjects in it, maybe you should give twice as much thought to it.

Mr. G. W. Baldwin (Peace River): I will consider Your Honour's admonishment. I realize now in which direction you will be leaning when we consider the amendment. Your Honour will note that I rose very slowly. I thought that surely a member on the government side would come to the aid of the minister. There he sits forlorn, lonely and isolated.

We have in the House eight members of the government party, the largest number it has had at any time this afternoon since we began considering this motion. Not one of those eight members saw fit to rise in support of the proposal which the minister brought before the House. A short while ago we saw here the hon. member for York East (Mr. Otto). Now we see the hon. member for York West (Mr. Givens) and the hon. member for York Centre (Mr. Walker). Surely hon. members coming from an area where there is a very decided interest in the effect of inflation will, before this debate is completed, stand up and tell us that they support the unusual and extraordinary proposal put forward by the minister and contained within the motion.

• (5:10 p.m.)

As I say, I am shocked that the minister cannot at this time dredge up any support from his party for this motion. One of the reasons might well be that the motion is something of a fraud, something like the department which the minister has the honour to head. Apart from those orthodox aspects which were previously the subject of other departmental activity, I think it is a department which was conceived in fraud, born in shame and nourished under hypocrisy. All this time the minister and his predecessor who first engaged the attention of the public and of this House in connection with this department have attempted to persuade people that it had a function, that it would guide the poor, unfortunate consumer through all the problems which were envisaged as facing him during the course of the next few years.

It is a department, Mr. Speaker, which is engaged in obtaining by false pretences $10 million from the people of Canada—the department of false pretences to the extent of $10 million—and I am of course excluding from the departmental estimates those items which deal with the other orthodox or regular functions of the department which were being dealt with previously by other departments. In looking through the annual report I discover that one of the main additions to it is the "Department of Information and Public Relations." I quote:

During the fiscal year 1968-69 the Information and Public Relations Branch added two components to its organization, a media relations division and an editorial division.

The media relations division was established to co-ordinate relations with all news media in Canada through continuous meetings with members of the media, press conferences, interviews, official releases and background material on the legislation and activities of the department.

It goes on and on for another four or five paragraphs. This is a pretty good indication of the proof of the charges which I have levelled against the minister, not as an individual, not as a member but in his responsibility in administering the affairs of this department which adds nothing to the protection of the consumers of our country. That has been carried forward, Mr. Speaker,

in the terms of the motion before us, supported and reinforced by the fact that the minister refused to accept my suggestion that he might well agree to incorporate into the terms of the motion the amendment offered by the hon. member for Wellington-Grey (Mr. Howe).

Your Honour has made a ruling on that amendment. Of course we accept the ruling, but still I point out it is wise for the minister, if he wants a committee that will do a valuable, useful job, to consider that amendment between now and the conclusion of this debate, reviewing, reflecting and contemplating so that he may well come to the decision that the amendment offered by the hon. member for Wellington-Grey will add strength and sinew to this motion. As it stands now, Mr. Speaker, after the rejection of this amendment I find it very difficult to see anything useful in the committee. The motion reads:

That a special joint committee ... be appointed to consider reports—

It is limited to considering these reports.

—of the Prices and Incomes Commission—

That is pretty strict wording; there are pretty strong limitations on what the functions of this joint committee will be, even strengthened by the addition of members of the other place, which of course is an issue which hon. friends to my left will deal with at a later time. The word "consider" is very restrictive when we consider what the committee will be able to do.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Baldwin: I thought I might be asked a question. Yes.

Mr. Knowles (Winnipeg North Centre): In view of the fact that before the hon. member for Winnipeg North moved his amendment the hon. member for Peace River suggested to the minister that he might accept both amendments, does that still stand? In other words, will the members of his party support us in cutting the Senate out of this operation?

Mr. Baldwin: Not at this stage, Mr. Speaker. At the time I spoke I was not aware of the full content of the amendment moved by the hon. member for Winnipeg North.

Mr. Knowles (Winnipeg North Centre): Had you no faith?

Mr. Baldwin: I sometimes have faith in the hon. member but not always in the views expressed by his party. Occasionally we are ad idem but there are times when we are not. In addition to considering reports of the Prices and Incomes Commission, the committee is authorized to deal with—

—such other related reports or papers as may be referred to the committee—

The committee is emasculated so far as its freedom of movement is concerned. It is only to consider parts of the PIC and such other matters as may be referred to it. We all know how these committees operate, and we know that it is only at the instance of the government that this special joint committee will have any authority, any right, any jurisdiction to consider issues related to this extremely serious and dangerous question of inflation. It is only when the government sees fit to bestow, out of its generosity, those rights on the committee that it will have an opportunity to do so. What use is this committee, inhibited, restricted, tied closely to the PIC reports and whatever else the government wants to give it? Under those circumstances I find it very difficult to support the motion. I will have to give it very careful thought before this debate is concluded.

I divide my argument into two parts. I deal with the whole question of committees and the powers of committees. These are questions that must be considered. Any member who comes to a decision on this question must first direct his attention to the value of a committee of this kind, or of any committee. To illustrate my point I wish to quote briefly from an editorial which appeared in the Edmonton *Journal* of Monday, April 27, 1970. It is collaterally relevant to this issue and to my argument because it deals with the powers of government and the opportunities of committees such as this to influence the operations of the government. Although the editorial happens to mention my name, that is only incidental. I quote:

Inside and outside Parliament, the Conservative opposition, notably Mr. Gerald Baldwin of Peace River, has mounted a campaign against what it sees as an alarming trend toward authoritarianism in the Trudeau government.

The action of cabinet ministers in attacking Auditor General Maxwell Henderson for his exposé of government waste, the white paper on tax reform, the setting up of Information Canada, and more have provided ammunition for Conservative critics.

But a pertinent question is whether the Conservatives are winning public support by attacking the growing power of government at the expense of Parliament.

The editorial then goes on to discuss in some detail the rather extraordinary questionnaire circulated in the United States seeking the views of people in that country to this and related questions, which to me indicated the most alarming movement, if the response to the questionnaire is correct, toward strong, authoritarian, dictatorial government at the expense of the public and its representatives, that is, the Congress in the United States and Parliament in Canada. That goes right to the root of the issue here.

Why have a joint committee if it is not to have any real function, if it cannot act effectively, strongly and diligently, and whenever required have the requisite degree of flexibility to direct its attention to all the issues surrounding inflation? I am not going to take the time now to attack the Prices and Incomes Commission and what it has done. I haven't much faith in what it has done or what it is going to do. I think it is simply a matter of the government having established a lightning conductor to steer away from the government some of the wrath and rage of people who have been hurt, who have been damaged and who have been injured by continuing inflation and by the way in which the government is dealing with it by calling upon the unemployed, the oppressed, the disinherited, and the poverty-stricken farmers to bear the full brunt of this war against inflation.

• (5:20 p.m.)

I will deal with that later. I want to direct my attention to this question: What is the value of setting up a committee of this kind? In view of the very rigid position the government has taken, as illustrated by the objection to the amendment moved by my colleague, I can think of very little that can be effectively done by the committee. The government is growing stronger and more powerful, as both speakers who preceded me pointed out. The establishment of task forces of specialists and the tremendous building up of the monolithic apparatus of the Prime Minister's office and of the Privy Council give me cause for concern.

We in this House could have in our hands a very effective and useful means of attacking this trend. I do not suggest that some commissions are not essential. Governments must be strong, powerful and flexible if they are to move rapidly in dealing with emergencies and situations of a crisis character which, in the kind of world we live in today, will be more and more evident. Although I do not like these powers in the hands of government, I feel that we will have to live with them. Yet why, in the name of heaven, must this Parliament every day pass over to the government extensive powers? I will not go back over the debates of the last two or three days, but what has been happening illustrates the extent to which this House is being asked, in breach of its plain duty and responsibility to the people of Canada, to give to those who sit on the treasury benches power to deal with the lives, property, freedom and economic rights of the people of Canada.

Last September the report of the Committee on Statutory Instruments was brought before the House. Had that report been implemented even partially I should have experienced less difficulty in accepting what has been happening. The report of the Special Committee on Statutory Instruments—it was a very carefully drawn up, well documented, unanimous report by members from all sides of the House—pointed out the grave dangers which are evident in the operation of certain tribunals, ministerial task forces, Crown corporations and those emanations of government which have seized and are now exercising greater power.

The report of the special committee illustrated ways and means by which we might deal with that matter. It was brought in with loud hosannas. The Prime Minister (Mr. Trudeau), the Minister of Justice (Mr. Turner) and the chairman of the committee told us that at long last Canada, which had been delinquent in this field, would have some means of dealing with the excessive powers of government.

We were approaching the tag-end of the session. I have on several occasions asked the President of the Privy Council (Mr. Macdonald) and the Prime Minister, in the House and outside, what the government intended to do about this report and whether it intended to implement all or any part of it. I venture to say that the government will make no attempt to implement any part of this report. There will be no means by which members of the House will have any measure of freedom in telling their constituents—and they should have this right—and the people of Canada what are the proposals of the Prices and Incomes Commission. I mention that body in order to bring myself within the relevant terms of this motion.

How, then, can we stand idly by and listen to the minister in a glib and devious way attempting to suggest that what the government is attempting to do here will be very nice for the people of Canada? Until there is

some means by which the Parliament of Canada in general and we in this House in particular, have the opportunity of telling our people what they must be told, I think we should beware. It is the business of the opposition to oppose generously, properly and in a constructive way. But surely hon. members on the government side must have some qualms, some fears, as to what they are doing to the people of their country when they so docilely permit the government to have these powers.

I have grave doubts about this matter and cannot be convinced, having read the motion as it now stands, that anything useful can come out of it, particularly after the minister repudiated the very sensible suggestion we made which would have permitted a more intelligent, wider and more constructive approach to be taken by the committee in dealing with the recommendations and reports of the Prices and Incomes Commission.

Surely the members of this House who are to be on the committee, members who have a direct liaison with the people they represent, who travel from place to place in Canada and who, not only in terms of interest but in terms of self-interest wish to find out what people are thinking about inflation and the various reports and recommendations of the Prices and Incomes Commission, should be given the right to make recommendations to this House through the medium of this committee, whether or not the government wants them to do so. Yet the government is saying by this motion and by what has been indicated by the minister, "No; you will not be allowed to do that. You will only be allowed to deal with and consider the reports of the Prices and Incomes Commission and such other matters as we in our graciousness and magnanimity entrust you to deal with."

Who could have confidence in a committee of that kind? For this reason alone I would be very dubious of the value of the reports. I hope that before a final decision is made by the Chair on the amendment put forward by the hon. member for Winnipeg North (Mr. Orlikow) there will be a change on the part of the government, that the minister who is inflexible may become flexible, that the minister who is now unreasonable may become reasonable and will accept at least that part of the amendment which corresponds to the amendment moved by the hon. member for Wellington-Grey, which would give more teeth to this committee.

Mr. Knowles (Winnipeg North Centre): I hope the hon. member will not retreat. I hope he will ask the minister to accept all of the amendment.

Mr. Baldwin: Mr. Speaker, I have already indicated my position. Mind you, the hon. member is very eloquent. Of course, we in this party are always prepared to listen to reasonable arguments. However, we do not hear them too often, except when they come from our own ranks.

What about the value of the committee itself? The minister referred to some universal recognition given at the recent federal-provincial conference but he was very selective and very shrewd in his statement. He did not read from the statement of conclusions dated February 17, 1970, which by coincidence I happen to have in my file, when painting a glowing picture of the acceptance by the federal-provincial conference of this proposition and the validity and value of the Prices and Incomes Commission. He forgot to read what appears on page 3, which is as follows:

> The conference confirmed the determination of the federal and provincial governments to co-ordinate and renew efforts to bring back price stability and sustained economic growth and social progress throughout Canada.

● (5:30 p.m.)

I can accept that part; this is what the minister had in mind. I continue:

> At the same time, the conference recognized that inflationary pressures were distributed unevenly across the country, and that some parts of Canada were suffering from unemployment or lack of development as well as from inflation.

As Your Honour well knows, that fact is recognized in a province not so far from this city where today the voters are coming to a decision. Some parts of Canada are suffering from unemployment and a lack of development as well as from inflation.

> In view of this, it was recognized that anti-inflationary policies should be applied as far as possible in a way which would not add to the difficulties of regions which were experiencing high unemployment or economic problems.

The Prime Minister should have that passage read to him every day. The Minister of Finance (Mr. Benson) should read and understand it. He sat in at that conference, yet he is ignoring the conclusion to which he as a member of the conference gave credibility and acceptance.

> In this connection, some Premiers maintained that, at the same time as broad anti-inflationary measures are carried out, the federal government

should take such actions as would offset any negative effects on the economies of slow growth areas, and which, with additional federal input, would further help the basic problems of regional imbalance of the Canadian economy.

Why did the minister not read that into the record? Those of us who attended some of the meetings as observers noticed that this was the greatest concern to the Premiers of the provinces. The minister conveniently forgot to read that passage into the record. This is what was worrying the representatives of the regional areas, in this case the Premiers. This is what is worrying many of us in this House, both as Canadian citizens and Members of Parliament representing regions. I am greatly concerned about the effect of the government's anti-inflationary program on the people of my constituency in northern Alberta.

Some provinces expressed the view that the federal government must give leadership—

God help us! Where are we going to find this leadership?

—in solving the inflationary situation, and British Columbia and Alberta suggested that the federal government should decrease or eliminate certain taxes, particularly the indirect sales tax and tariffs, to reduce some of the current pressures on prices in Canada.

What indication do we have that the government is seriously contemplating this suggestion?

Mr. Basford: Would the hon. member permit a question?

Mr. Baldwin: I would be delighted.

Mr. Basford: In view of the remarks the hon. member has just made, can he explain why the chief financial critic for the opposition, on the night of the recent budget advocated an increase in some tariffs?

Mr. Baldwin: It may well be that the financial critic had something in mind at that time. I am talking about the proposals of the federal-provincial conference which received approval from the Prime Minister and the Minister of Finance and to which their signatures are attached. The government is sitting in the driver's seat. They have said to the people of Canada, "Trust us. We will look after you. We will do the things essential to bring you happiness, prosperity and a just society". Why is the minister not attempting to persuade his colleages who were present at that conference to implement these very specific proposals irrespective of what anyone else says? If the colleagues of the minister suggest that, they will have my support and the support of a great many members of this House and people from all over Canada. I continue quoting:

[Mr. Baldwin.]

Some first ministers also stressed the importance of ensuring that governments do not over-react to inflation to an extent which could lead to widespread unemployment and recession, particularly since a number of economic indicators already point to the possibility of higher unemployment and slower growth in 1970. A concern was also expressed that emphasis needs to be given to continued and expanded productivity and economic growth.

How much more hypocrisy can this country stand, Mr. Speaker? The Prime Minister and the Minister of Finance said at a formal meeting with the first ministers of the provinces of Canada that this is what the country needs. They said that they believed in this. What do we now see with regard to unemployment? I do not need to go into that. Every day in this House members, particularly in the opposition, plead with the government, pointing with apprehension and alarm to what is happening in their regions and provinces. All they receive is a cold, uncompassionate and calculated indifference from the Prime Minister and the Minister of Finance.

For these reasons I have the greatest difficulty in giving any support to this motion which does not promise much for the people of Canada.

Mr. Deputy Speaker: Order, please. I do not know the disposition of the House, but I am in a position to make a ruling on the amendment of the hon. member for Winnipeg North, unless hon. members prefer me to wait in order that they may argue it procedurally later. I do not want to force any ruling on the House at this time. I am in a position, though, to give my ruling.

Mr. Knowles (Winnipeg North Centre): In the hope and confidence that my previous arguments persuaded Your Honour to treat this amendment with more tenderness than the last one, I would agree that Your Honour might give your ruling now.

Mr. Basford: May I say, Mr. Speaker, that I was very impressed with the force and cogency of Your Honour's reasons in connection with the first amendment. The second amendment goes much further than the first amendment, and Your Honour's forceful and cogent ruling on that amendment surely applies with double impact to this amendment.

Mr. Knowles (Winnipeg North Centre): Even if that is true, Mr. Speaker, surely it applies only to that part of the amendment that has to do with the terms of reference. Nothing has been said today that questions the validity of that part of my colleague's amendment which suggests this should be a committee of this House only, rather than a committee of both Houses.

Mr. Deputy Speaker: I am not sure what I should say about the contributions of hon. members. I make the point which I think is anticipated, if not obvious, to all hon. members. It is that essentially the same objections I had to the first amendment apply to part of the amendment presented by the hon. member for Winnipeg North. I quote section (c) of the amendment:

> (c) by inserting in line three, after the word "appointed", the words "to inquire into and report upon the trends in the cost-of-living in Canada and factors which may be contributing to changes in the cost-of-living;"—

My objections to that are the same as the objections I had to the earlier amendment. I again refer hon. members to citation 291 of Beauchesne's fourth edition. However, there are other parts to the amendment. In considering that I must again quote Beauchesne, citation 293, toward the end of the citation. It reads as follows:

> When an amendment is irregular in one particular, the whole of it is not admissible and must be ruled out of order.

I am therefore obliged to rule that the amendment before me is out of order. This does not preclude at a later date the hon. member for Winnipeg North Centre, if it is his disposition, moving an amendment which would contain those provisions of the present amendment, minus the section that I find objectionable. For these reasons I rule the amendment out of order.

Mr. Knowles (Winnipeg North Centre): May I say on our behalf that we accept that course of action, namely, that if we wish to move the part that is not out of order, we can do so at a later stage. However, is it not also the prerogative of the Speaker to suggest from the chair that an amendment be altered so as to bring it in order? I wonder if Your Honour considered that the offensive part be eliminated and that the rest of the amendment stand? We are in Your Honour's hands. We are prepared to do it either way.

Mr. Deputy Speaker: Frankly, I had not considered that option. I was not sure whether it was available to the chair. I suggest precedurally it might be more correct if the hon. member will follow the other course, namely, someone else from his group might move the amendment, minus the section to which I object, at a later stage.

Mr. Knowles (Winnipeg North Centre): We always do what Your Honour suggests.

• (5:40 p.m.)

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I am more than pleased to have an opportunity to speak for a few minutes on the motion of the Minister of Consumer and Corporate Affairs (Mr. Basford). While I am dealing with the subject matter, Mr. Speaker, there are a number of questions I would like to pose.

I had the privilege of spending some time in the committee which studied the estimates of the Department of Consumer and Corporate Affairs. I was at times disappointed in the attitude of some of the chief officers of that department who seemed to lack the answers, or were not prepared to give them to the committee. It appears the minister has now appointed more heads to this new department than one would normally find on a western ranch. Some 70 of them, I understand, are highly-paid officers. When members on a committee ask questions, one would think they would be entitled to get some kind of answer.

To a large extent the fault lies with the committee set-up; there is no way of exercising any pressure on a department or on its officials to ensure that answers are given. As long as I stay in this House I shall continue to fight to bring back into this chamber the study of departmental estimates by the whole House.

I believe the government is over-reacting to the issue of inflation. In this connection I for one, made alternative proposals to Dr. Young and others, proposals which they were not prepared to accept. Indeed, they were reluctant even to comment on them. One of the more serious difficulties facing this country is the shortage of housing. Some of us tried to deal with this question in the committee, with Dr. Young present, to determine whether any attempt had been made by the commission or by any other branch or agency of government to discuss with the municipalities what action the government should take in connection

with land acquisition. Dr. Young thought this was beyond the scope of his authority and declined to elaborate.

Why should we approve this motion to set up a committee of both Houses to report from time to time its observations and opinions, and to send for papers, persons and records, to sit during adjournments, and so on? What is the reason for this request? I mentioned a few moments ago that there are 70 highly-paid officials employed by the department—and there are more to come. This is a complex organization in itself. Why should a joint parliamentary committee be appointed with power to call for witnesses, papers and documents, to conduct research, and then pass the information on to a department which is already established to do this very work? To me, it smacks of additional control of our economy.

I have never particularly favoured joint committees. They tend to become authoritative and hard to handle. I do not believe the recommendations which have been made so far even by committees of our own House of Commons have been accepted by the government, unless the government had already made up its mind to do so. I do not believe a joint committee will get the necessary answers. One of the questions put to Dr. Young was along these lines: What has the department done in the light of information available for some months now, to the effect that roughly 80 per cent of the union contracts in Canada become renegotiable in 1970?

I wanted to know what steps had been taken in light of the fact that the unions have turned down the minister's request for wage restraint. I do not believe a joint committee or any other committee of Parliament will be able to deal with this issue to the satisfaction either of hon. members or of the minister. I should like to know whether the committee which is to be set up would have the power to call the Minister of Finance (Mr. Benson) before it to explain government policy in regard to one of the problems which has arisen in relation to housing, namely, the continuance of the tax on building materials.

We pursued this line of questioning in the committee, as the minister knows, and Dr. Young's answers on the subject were extremely vague. It puzzles me why we should wish to set up a new committee to consider inflation and the spiralling cost of living, and then leave on the statute books a tax of a kind which directly affects one of the most important industries of Canada. To me, this does not make sense.

[Mr. Skoreyko.]

In 1969 the housing industry reported a rise in the cost of housing of something like 6.9 per cent. If the minister intends to take serious steps to reduce costs, he should approach his task step by step. At one time I asked the minister—if I did not, I apologize I might have asked Dr. Young—whether, if the minister was not prepared to let competition find its own market levels, he would tell us what objection the government had to instituting immediate wage and price controls, as was done in wartime, for four or five years or until the economy had stabilized.

• (5:50 p.m.)

Personally, I cannot see anything wrong with this type of measure. We experienced reasonably good years during the 1940s, during the last war. It would at least assure one thing to the people of Canada, including the business community and people in the work force, namely, that the price of commodities would remain stable for a certain period. It would give business some assurance that their profits would remain reasonably stable over a given period. It would control rents. It would also control land and housing costs. I can see very little objection to compulsory wage and price controls.

My argument is that although the administration of such a program might be difficult, it would be no more difficult than trying to administer this kind of department, particularly in light of the fact that labour groups in the nation have said no to the minister's request for restraint. Although business has not said so, it has not done much in the way of practising restraint.

I do not think it is fair for the government to delve into the private operations of companies. Neither do I think it is fair to set up a bureaucracy made up of so-called paper-tigers supposedly to give the economy some sort of stability. I have before me an article from the Vancouver *Province* which reads in part as follows:

> If the average citizen came away from 1969 with the impression that the federal government hadn't actually done much to protect him from exploitation by business and the vagaries of life . . . well . . . he isn't that far wrong.
>
> But there are a stack of government moves just around the corner that should mesh well with the consumer revolt, the public outcry against environmental pollution and concern against galloping inflation.
>
> Yet, as we enter 1970, Canadians must face this sober check list:

Then follows a list of problems that the country has been facing for a number of years. Approximately a year and a half ago the minister set up this new department which was going to cure all these ills within a very short time. Therefore, I ask the minister: Before we set up this kind of committee, would he tell the House exactly what he expects the committee to do above and beyond those responsibilities which fall within the minister's own department? What can the committee do, how will it be doing it, and what effect will it have?

I cannot see how a joint parliamentary committee that would sit on a year around basis will solve what the minister has pointed out is a very serious problem. I do not know what the committee's main function will be. Is it going to call before it representatives from General Motors in order to find out next year's price of Cadillacs? What is this committee expected to do that could not be done by the department as presently constituted?

For example, there is the service and information branch, and the research branch. I presume that the research branch could research costs and potential price increases in any given industry. I suppose that the operations branch is responsible for the administration of the other smaller branches that are spread across the country. The function of the compliance branch, I presume, is to see that when the government asks a corporation not to increase the price of its commodities in a given year, the corporation so complies.

If that is the case, why do we need a joint parliamentary committee to do the work that these various departments should in fact be doing? We also have the standards branch, in regard to which I ask the same question: Does the minister expect the joint parliamentary committee to call before it representatives of manufacturers from across the country and give to them certain standards that they should follow? That is not the responsibility of a committee. I can see very little purpose in approving this resolution.

I see it is six o'clock, Mr. Speaker.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, April 30, 1970

The House met at 2 p.m.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

CAMBODIA—CONSULTATION BY UNITED STATES WITH CANADIAN GOVERNMENT ON AMERICAN SUPPORT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had a question for the Secretary of State for External Affairs who I would have thought would not find it necessary to be in the province of Quebec today.

Some hon. Members: Oh, oh!

Mr. Stanfield: So perhaps I could address it to the Prime Minister—oh, the minister has arrived.

Mr. Baldwin: The late Mr. Sharp.

Mr. Stanfield: I would like to ask the Secretary of State for External Affairs a question relating to Cambodia. In view of the special relationship which we assume exists between Canada and the United States and the fact that Canada is a member of the International Control Commission in Indochina, I would like to ask the Secretary of State for External Affairs whether there was any consultation with the government of Canada prior to President Nixon's announcement yesterday of United States air and technical support in Cambodia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the Leader of the Opposition knows, the Cambodian government asked the International Control Commission to leave Cambodia. The answer to his direct question is that there was no consultation.

CAMBODIA—REACTIVATION OF INTERNATIONAL CONTROL COMMISSION AND GENEVA CONFERENCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, perhaps the Secretary of State for External Affairs could tell the House what progress has been made in the active negotiations that the Prime Minister assured the House on April 17 were being held with the other members of the commission, India and Poland?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have had consultations not only with the members of the International Control Commission but while I was in France the Foreign Minister, Mr. Schumann, discussed his idea of reviving the Geneva Conference or of holding a meeting of all of the countries concerned. We have talked with the British government about this. We have had some consultation with other governments to try to see how we might play a useful part. We have made it very clear in connection with the International Control Commission that we would not be prepared to return to Cambodia if we were asked to return unless agreement were reached by all the parties as to the functions of the International Control Commission. We see no point whatever in returning to the kind of futile exercise which prevailed before the Cambodians asked us to leave.

Mr. Stanfield: A supplementary question, Mr. Speaker. Perhaps the Secretary of State for External Affairs could tell us what is the status of negotiations with regard to a new Geneva Conference? What prospects are there, in brief, of such a conference being held?

Mr. Sharp: Mr. Speaker, I do not think they are very good at the moment. There has not been agreement among the principal countries concerned as to the calling of such a conference. Some proposals have been put forward, some tentatively, but there has obviously been no consensus yet.

SPREAD OF WAR IN SOUTHEAST ASIA—REPRESENTATIONS TO UNITED STATES—CONSIDERATION BY UNITED NATIONS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a question to the Secretary of State for External Affairs, Mr. Speaker. In view of the concern in Canada about the war in Viet Nam, which will be now deepened by virtue of the widening of hostilities into a general war covering Southeast Asia, and in view of our indirect involvement

through the International Control Commission, is the government of Canada making any representations to the United States about this matter and expressing its views and its concern about the widening of military operations in Southeast Asia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think it would be rather premature for the Canadian government to express any views upon American policy until the President of the United States explains the basis upon which this apparent escalation of the conflict has been justified.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In the last couple of weeks I have asked both the Secretary of State for External Affairs and the Prime Minister whether the Canadian government would at least follow the lead of France and other countries in calling for a reconvening of the Geneva Accord nations. At that time the government indicated it would be prepared to participate but not to call for such a conference. May I ask now whether the Canadian government would be prepared to join with other nations in endeavouring to put this question on the agenda of the United Nations so that the matter can be dealt with on an international basis instead of allowing it to drift into what could be a very serious war in Southeast Asia?

Mr. Sharp: Mr. Speaker, the Canadian government would, of course, be prepared to look at any proposal that might help to end this conflict. We would be prepared, of course, to participate in a conference. I can reaffirm that position on the part of the Canadian government. As to bringing this matter before the United Nations, I would have thought this a rather doubtful proposition in view of the fact that several of the countries principally concerned are not now adequately represented there.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The minister has told us all the things we cannot do. Can the minister tell us about any useful contribution Canada can make, or does the Canadian government intend to sit by as it has done in the Viet Nam war and allow the situation to deteriorate?

Some hon. Members: Oh, oh!

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

SUGGESTED TERMINATION OF DEFENCE-SHARING AGREEMENT WITH UNITED STATES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in view of the deepening crisis in Cambodia and in view of the increased United States involvement there, will the Canadian government now give serious consideration to terminating the Canada-United States defence-sharing arrangement?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. The reasons for continuing our defence-sharing agreement with the United States have been explained on many occasions. But I should like to say to my hon. friend and to the Leader of the NDP that I did not hear the same sort of concern expressed about the presence in Cambodia of troops from North Viet Nam.

Some hon. Members: Hear, hear!

POST OFFICE

ADMINISTRATION OF DEPARTMENT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, may I direct a question to the Prime Minister. It is in reference to the administration of the Post Office Department which is currently facing grave problems. Does the Prime Minister not believe that there is some legitimate public and parliamentary concern as to who is now administering this trouble-starred department? If so, will he not penetrate this unbecoming curtain of silence?

An hon. Member: Answer!

Mr. Speaker: The hon. member for Regina East.

Mr. Macquarrie: A supplementary question, Mr. Speaker. If the Prime Minister will not show consideration to the House and to the people, may I appeal to him to show consideration for the Postmaster General himself in light of the accusation that there is apparently not room in the country now for him and the Minister of Labour at the one time?

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM REGULATIONS

Mr. John Burton (Regina East): I wish to direct a question to the Minister without Portfolio in charge of the Wheat Board. Can the minister inform the House now when the regulations in connection with operation LIFT

will be announced? Can he also tell us if these proposed regulations have been discussed with the farm organizations and, if so, which farm organizations?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the regulations are in force. Of course, the pattern of effect of the regulations upon farmers has been discussed very widely throughout the country with most farm organizations.

Mr. Burton: A supplementary question. If these regulations are in force, can the minister make them available to the members of this House and, more important, to the farmers of western Canada?

Mr. Lang: Yes, Mr. Speaker, I will be glad to do that.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Does the minister say the regulations have been completed and are now confirmed? If so, will he table them today? The farmers of western Canada do not know where in blazes they are going because the regulations have not been made available to them.

Mr. Lang: I think that might be arranged, Mr. Speaker.

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

Mr. Diefenbaker: I rise on a question of privilege.

Mr. Speaker: Order, please. The right hon. gentleman seeks the floor on a question of privilege.

Mr. Diefenbaker: A facetious answer like that from a minister is not acceptable.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Groan if you will!

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Keep it up!

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, the attitude of the Liberal members is one of contempt toward the western farmer, as just shown by the minister.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I ask the minister whether he will table the regulations today so they will be available? All we have yet received is a brush-off from a minister who has done nothing for the western farmers.

Mr. Lang: On the question of privilege, Mr. Speaker, I, of course, do not have the regulations in my hand. I was conscious of the fact that at a later date it might require the consent of the House to table them. That is why I used the words I did.

Mr. Diefenbaker: If it requires the consent of the House, can that be secured now so that this fractious minister can produce them?

Some hon. Members: Oh, oh!

Mr. Speaker: Order.

REQUEST FOR CORRESPONDENCE ON ACREAGE REDUCTION PROGRAM

Mr. John Burton (Regina East): A further supplementary question, Mr. Speaker. When did these regulations go into force and on what date was the order in council passed? Also, in view of the fact that the minister was able to release an exchange of correspondence between the President of the National Farmers' Union and himself on the question of operation LIFT, can he indicate to us whether he is prepared to make available all correspondence between the minister and the government and farm organizations since operation LIFT was first discussed with farm organizations?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I will certainly be glad to give consideration to the question in relation to the various parts of correspondence. Of course the usual conditions will have to be applied. It might be more useful if we had specific requests rather than a broad one of this sort. The consent of a variety of people may be required in order to fulfil the request.

[*Later:*]

Mr. Burton: I have one short supplementary question arising out of an answer given earlier by the minister. He asked hon. members to refer specifically to correspondence that they would like him to table. Would he arrange to table the telegram from the President of the National Farmers Union to the Prime Minister on February 22 in which the government's proposals for operation LIFT were specifically rejected?

Mr. Lang: That is the kind of difficulty I can foresee with regard to the general question. I am not sure it is in my hands, in any respect, to table that item.

WHEAT—ACREAGE REDUCTION PROGRAM—EXTENSION BEYOND JULY 15 FOR SEEDING COVER CROP

Mr. S. J. Korchinski (Mackenzie): My question is directed to the Minister of Agriculture. In view of the fact that seeding by most farmers will be at least one month later than the seeding that will be done on the minister's farm, and as the farmers will not be able to reap the fodder from any perennial grass cover crop that he may be able to, will the minister extend the date from July 15 by at least three weeks or one month so that other farmers can qualify in the same way that he can?

Hon. H. A. Olson (Minister of Agriculture): If the hon. member had been here the other day, he would know that I answered a question essentially the same as the one he is now asking. July 15 is approximately the middle of the summer in all regions of Canada. It has to be borne in mind that the permission to seed a cover crop of oats before July 15 was designed for protection against soil erosion, wind erosion, not primarily for the purpose of seeding a crop of that nature.

Mr. Korchinski: In view of the fact that perennial grass cannot be used as hay for at least two years, will the minister be prepared to help farmers who wish to co-operate with him by extending the period for one month and allowing them to use the cover crop for fodder?

Mr. Olson: There is no prohibition in the regulations as far as I know which would prevent any man using this cover crop for grazing purposes.

WHEAT—ACREAGE REDUCTION PROGRAM—CONSIDERATION FOR FARMERS WHO MADE REDUCTIONS LAST YEAR

Mr. Les Benjamin (Regina-Lake Centre): My question is directed to the Minister without Portfolio in charge of the Wheat Board. If I may preface it, Mr. Speaker, members of this House have been asking since operation LIFT—

Mr. Speaker: Order. The hon. member cannot preface his question in that way. He should ask the question.

[Mr. Burton.]

Mr. Benjamin: In view of the statement issued publicly by a member of the Saskatchewan Federation of Agriculture concerning the parts of operation LIFT which he feels are inequitable and unfair, would the minister say whether or not, taking into account the remarks of Mr. Bowden, additional consideration will be given to the situation of farmers who reduced their acreage in 1969?

Hon. Otto E. Lang (Minister without Portfolio): As has been indicated many times, the situation of those who had reduced their acreage previously was taken into consideration at the time the policy itself was formulated; it was felt that any other changes which could be made would have as many adverse effects as positive ones. That is exactly why we achieved the balance we did in the program.

UNITED STATES WHEAT ACREAGE ESTIMATES

Mr. A. B. Douglas (Assiniboia): My question, too, is directed to the Minister without Portfolio in charge of the Wheat Board and it relates to recent allegations that farmers in the United States are increasing their wheat acreage this year, thus reducing the effect of the LIFT program. Can the minister give the House the latest estimates of the acreage of wheat to be harvested in the United States in 1970?

Hon. Otto E. Lang (Minister without Portfolio): I would be glad to get the precise figures of estimates, but estimates of wheat to be seeded in the United States show a definite downward trend compared with last year and only in one or two isolated areas is an increase indicated.

BROADCASTING

PROVISION OF SECOND TELEVISION CHANNEL IN SYDNEY, N.S.

Mr. Robert Muir (Cape Breton-The Sydneys): My question is addressed to the Secretary of State, Mr. Speaker. I have given the hon. gentleman notice. It is urgent and it is prompted by a recent statement by the CRTC and the CBC. Can the minister tell us what steps are being taken to provide a second television channel in Sydney, Nova Scotia?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): First, Mr. Speaker, I should like to thank the hon. member for advising me of his question. I was thus able to obtain information and here is the answer I was given.

Cape Breton Broadcasters Ltd., which is now providing television services to the Cape Breton and Eastern Nova areas, met with the CBC in order to reach agreement on the best way to give to the public in these regions a second TV channel.

Technically and financially, however, extending TV coverage in that area is very difficult. For instance, separate technical facilities would be required for broadcasting in the various regions of that territory. I might add however that Cape Breton Broadcasters Ltd., the CBC and the CRTC will get together very soon in order to determine exactly what has to be done and to draft a schedule of the work required in that region.

[*English*]

MANPOWER

REQUEST FOR STATEMENT ON AVAILABILITY OF SUMMER EMPLOYMENT FOR STUDENTS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. As has been requested on other occasions, will the minister make a statement on motions very shortly concerning the proposed plans for the employment of students during the coming summer months in view of the desperate plight of many students in respect of summer employment?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I intend to make a statement early in the week.

Mr. Frank Howard (Skeena): I have a supplementary, Mr. Speaker. Would the minister also make a statement concerning the plans the government has for the employment of those who are not students?

HEALTH AND WELFARE

CYCLAMATE BAN—SAFETY OF SUBSTITUTE SWEETENERS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the ban on cyclamates for use in dietetic foods and drinks, would the minister inform the House what substitute sweeteners will replace them and what steps his department has taken to ensure that the new artificial sweeteners are actually safe?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I am aware that the industry has developed substitutes which the Food and Drug Directorate is looking into in order to determine their safety. I shall be glad to inform the hon. member of the precise particulars later.

NATIONAL REVENUE

EXTENSION OF TAX RETURN DEADLINE BECAUSE OF WESTERN CANADA FLOODS

Mr. Gerald Richard Cobbe (Portage): Mr. Speaker, I have a question for the Prime Minister. Is the government considering extending the period in which people can file their income tax returns in view of the fact that people in many parts of western Canada have been forced to leave their homes owing to serious flooding?

Right Hon. P. E. Trudeau (Prime Minister): I know of no such plans, Mr. Speaker. However, I shall take the matter up with the Minister of National Revenue.

INDUSTRY

TIRES—MEETINGS WITH COMPANY REPRESENTATIVES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. Has he concluded his meetings with the rubber industry representatives? If so, has the minister reached any conclusions and is he prepared to make a statement respecting these meetings?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Not today, Mr. Speaker. I shall inquire, however, on the progress of these negotiations going on between the industry and my department and keep the House informed.

TELEVISION TUBES—MEETINGS WITH MANUFACTURERS

Mr. Max Saltsman (Waterloo): In view of the crisis facing the television tube manufacturers in Canada, is it the minister's intention to call the tube manufacturers together in order to have similar meetings to work out a rationalization program?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the question implies that my department is not in touch with the tube manufacturers. That is incorrect. Conversations go on all the time and we try to help as much as we can. I should like to emphasize once again that if

the tube industry is in decline at the same time the transistor industry is growing and I can demonstrate quite easily that there are more jobs now being created in the transistor industry than are being lost in the tube industry.

PLANS TO MAINTAIN OPERATION OF DUNLOP PLANT, TORONTO, AND YARMOUTH TEXTILE PLANT

Mr. John Gilbert (Broadview): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. What special plans has the minister with regard to saving the Dunlop tire plant in Toronto and also the textile plant in Yarmouth because, as he knows, this is very important?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I know it is important. Reasons have been given for the closing of that plant and these reasons have been accepted by my department as facts.

THE MINISTRY

REASON FOR ABSENCE FROM HOUSE OF MINISTER OF COMMUNICATIONS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Prime Minister. Could he advise the House whether the Minister of Communications is on leave in view of his absence from the House for nigh on three weeks?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

Mr. Lambert (Edmonton West): Was it at the request of the minister or of the Prime Minister?

Mr. Speaker: Order, please.

FEDERAL-PROVINCIAL RELATIONS

JURISDICTION OVER SABLE ISLAND

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Justice. In view of the possibility of oil being discovered on or adjacent to Sable Island, will the Minister of Justice indicate whether this island is considered an offshore territory of Canada over which the federal government claims complete jurisdiction or is this island considered part of the province of Nova Scotia?

[Mr. Pepin.]

Hon. John N. Turner (Minister of Justice): Not only is that a question of geography, it is also probably a legal question. I should like to take it as notice.

Mr. Crouse: In view of the importance of establishing geographical co-ordinates for the drawing of baselines in order to implement our new pollution control measures as well as to conserve our fishery resources, will the minister give an early indication of the proper status of this strategic island?

Mr. Turner (Ottawa-Carleton): I or one of my colleagues in the cabinet might do that.

GRAIN

INTERNATIONAL GRAINS ARRANGEMENT—DISCUSSION OF STATUS WITH REPRESENTATIVES OF EXPORTING NATIONS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister without Portfolio who reports to the House for the Canadian Wheat Board. In view of the minister's announcement that a meeting will be held in Ottawa on May 4 and 5 with representatives of major wheat exporting nations, including a spokesman for the European Common Market, to discuss, among other things, limitations of wheat acreages, can the minister advise the House whether discussions on the present status of the International Grains Arrangement will take place, and will he and his advisers impress upon the United States representatives the importance of strengthening the International Grains Arrangement to prevent any further price-cutting by our competitors?

Hon. Otto E. Lang (Minister without Portfolio): The meetings in question are essentially to discuss production policies. There will be meetings later among interested countries in connection with the International Grains Arrangement. Of course we are always making our views known to our friends in the United States about the importance of the International Grains Arrangement.

ACREAGE REDUCTION PROGRAM—CONSULTATION AND AGREEMENT WITH OTHER HIGH PROTEIN WHEAT PRODUCERS

Mr. H. A. Moore (Wetaskiwin): Before operation LIFT was announced, was any agreement made or consultation held with other producers of high protein wheat, such as the United States and Australia, so that they could also decrease their acreage?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker.

POLLUTION

AIR—USE OF MONITORING EQUIPMENT

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of National Health and Welfare. In view of the continuing concern over the level of air pollution in our cities and the minister's previous response to a question I asked him when he said that no clean air legislation would be brought in at this session, can the minister advise whether any special arrangements such as monitoring are being carried out at the federal level to meet this continuing serious problem?

Hon. John C. Munro (Minister of National Health and Welfare): Air sampling stations have been sponsored by the federal government across the country for several years now under the aegis of the air pollution control division of the Department of National Health and Welfare, and that activity is being carried on.

MANPOWER

CLOSING OF ERIE FLOORING AND WOOD PRODUCTS PLANT AT WEST LORNE, ONT.

Mr. H. E. Stafford (Elgin): My question is for the Minister of Manpower and Immigration. Has the minister been informed of the decision by Erie Flooring and Wood Products Industries of Toronto to close their hardwood flooring and pallets plant in West Lorne, Ontario, which employs 142 workers and is of crucial importance to this community? If so, has the minister anything to report on the situation?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Yes, I am aware of the closure. I know how regrettable it is because the employer is the single employer in that small community. My officers have opened temporary facilities in the Town hall at West Lorne and we are attempting to make all our facilities available to assist the workers.

EXTERNAL AFFAIRS

CO-OPERATION WITH UNITED STATES REGARDING POLLUTION OF ALASKAN COAST

Mr. John Lundrigan (Gander-Twillingate): Can the Secretary of State for External Affairs tell us whether in fact Canada has a working relationship with the United States authorities regarding the pollution of the Alaskan coast which is claiming large numbers of birds and animal life? If so, could he give us some indication of whether we are contributing to the experimentation to discover the source of this pollution?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I will take notice of that question.

HOUSE OF COMMONS

CIRCULATION TO MEMBERS OF CITIZENSHIP FORM

Mr. A. D. Hales (Wellington): I should like to address my question to the Minister without Portfolio responsible for citizenship. In view of the government's austerity program, could he advise the House why he found it necessary to write letters to the 265 Members of Parliament enclosing a form to apply for proof of Canadian citizenship in view of the fact that every member of this House must be a Canadian citizen before he can be a member?

Hon. Robert Stanbury (Minister without Portfolio): With great pleasure, Mr. Speaker. The point of the exercise is to emphasize to Canadians that all people who hold certificates of Canadian citizenship are not new citizens, that you do not need to get them through naturalization but that many people obtain them through the pride of being Canadian citizens, and I thought Members of Parliament might want to celebrate citizenship week by doing so.

Mr. Hales: Were similar letters sent to the Senate?

Mr. Stanbury: Yes, Mr. Speaker.

Mr. Dubé: The senior citizens.

FURTHER ADJOURNMENT FOR COMMITTEE WORK

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the right hon. Prime Minister. In view of the fact that the committees of the House are making good use of the extra time granted to them today, but since they need still further time to catch up with the backlog of their work, I wonder if the Prime Minister would suggest to the government House Leader that two or three days might be taken off next

week for this purpose and also to enable the government to deal with its white paper on social security so that it might be brought down during the month of May?

Right Hon. P. E. Trudeau (Prime Minister): May I say, in reply to the first part of the question, Mr. Speaker, that I am informed by the government House Leader of the possibility that another day might be set aside next week if this meets the desire of all parties.

Mr. Knowles (Winnipeg North Centre): Will the government use that day, as I suggested, to deal with its white paper on social security so that it can be tabled soon?

Mr. Trudeau: I am afraid a day would not be enough.

Mr. Knowles (Winnipeg North Centre): Take two or three.

ATTENDANCE AT COMMITTEE MEETINGS

Mr. G. W. Baldwin (Peace River): Would the Prime Minister discuss with the government House Leader some way of dealing with the problem which was evident this morning when a committee was dealing with millions of dollars of estimates and only three members were present?

DISTRIBUTION OF LIBERAL PUBLICATION

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): I have a question for the Prime Minister in the extended absence of the Postmaster General, and it is a question on pollution. There are at present many boxes containing hundreds of thousands of copies of the political publication "The Canadian Liberal" at the door of the central post office in this building which are about to be mailed out to the public. By what method of postage, frank or otherwise, is this publication being sent out?

Mr. Speaker: Perhaps I should indicate to the hon. member that this is the kind of question which comes under the jurisdiction of the House rather than of the government. The hon. member's question should be addressed to the Chair in writing. I gather that this is the procedure to follow in such cases.

LABOUR RELATIONS

ACADIA FISHING COMPANY AND BOOTH FISHERIES—ASSISTANCE IN MEDIATING STRIKE

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Labour.

[Mr. Knowles (Winnipeg North Centre).]

What steps is the minister or his department taking to assist in mediating or bringing to a conclusion the strike of some 230 fishermen against the Acadia Fishing Company and Booth Fisheries in Nova Scotia?

Hon. Bryce Mackasey (Minister of Labour): I am uncertain whether this comes under federal jurisdiction. I doubt that it does. If it does not, then it is up to the Department of Labour of the province of Nova Scotia, which I understand can deal with it more than adequately.

Mr. Howard (Skeena): Inasmuch as there is some doubt about the jurisdiction and as it seems to be a grey area, would the minister look into the matter? Would he also indicate whether or not he has received any representations or requests from the government of Nova Scotia regarding this matter?

Mr. Mackasey: Yes, Mr. Speaker, I will do that. Because of the fact that my next duty day is Monday, I will take the liberty of communicating privately with the hon. member in the meantime.

MANPOWER

FILLING OF SUMMER JOBS AT RIDING MOUNTAIN NATIONAL PARK BY WIVES OF PERMANENT EMPLOYEES

Mr. E. B. Osler (Winnipeg South Centre): My question is for the Minister of Manpower and Immigration. In view of persistent rumours that advertised positions for summer jobs at Riding Mountain National Park are being filled by wives of permanent employees, which undermines the government's "Hire a Student" campaign, does the minister intend to take action to stop such practices?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I will be happy to discuss the matter with the minister responsible for the administration of national parks.

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

QUEBEC—POLICY DISCUSSIONS WITH NEW PRIME MINISTER RESPECTING GOLD MINING AND DAIRYING

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

During the two past weeks, I had the opportunity to ask questions concerning the correspondence exchanged with the then

Quebec Premier in connection with gold mines and the dairy industry. I was twice told that after the election of a new Quebec government, it might be possible to try to solve both problems. Now, since April 29 has come and gone and the Prime Minister's dream has come true, can I ask him whether he will soon discuss the conditions of the gold mines and the dairy industry in Quebec with the new Premier of that province?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the new Quebec Premier wishes to discuss those matters with the federal government, we will be extremely pleased to do so.

[*English*]

PRICES AND INCOMES COMMISSION

JURISDICTION RESPECTING SHORT-TERM ECONOMIC FORECASTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Consumer and Corporate Affairs whether the Prices and Incomes Commission considers it to be within its jurisdiction or responsibility to engage in short-term economic forecasting as to trends in this country?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I believe it has on its staff some officials and has been trying to obtain others to do some short-term forecasting.

Mr. Stanfield: A supplementary question. Is it the role of this commission to give the government or the country as a whole any advice as to economic expectations in the short term?

Mr. Basford: In so far as it may have some bearing on price stability and the achievement of price stability which the government is anxious to obtain—yes.

Mr. Stanfield: One further supplementary question which I direct to the Prime Minister. In view of the persistent recommendation of the Economic Council of Canada as to the importance of an independent agency being established to perform this task of providing better short-term economic forecasts, will the Prime Minister reconsider this recommendation? I ask this question particularly in view of the confusion that seems to exist at the present time as to just what is the short-term economic trend not only in this country but in the world at large.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the government has at its means certain officials and tools with which to consider this question of the short-term economic future. The Economic Council of Canada does not have such a term of reference under the statute which set it up, although sometimes it does indulge in short-term economic forecasts.

CONSUMER AFFAIRS

ACTION RESPECTING FALSE AND MISLEADING ADVERTISING

Mr. James E. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs. What steps are being taken by his department in the area of inspection and surveillance in combating false and misleading advertising across the country and what prosecutions, if any, are outstanding in this regard?

Mr. Speaker: Order, please. I suggest to the hon. member that the information he is seeking now is rather far-reaching. I suggest to the hon. member and to the minister that the information should normally be given by way of a statement rather than by way of an answer to the question at this time.

Mr. McGrath: Then may I rephrase the question and ask the minister if he would be prepared to make a statement in the House, in view of the fact that he made a very serious policy statement on this matter in Vancouver recently?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Well, Mr. Speaker, in Vancouver the other day I announced that in furtherance of our campaign against misleading advertising—

Mr. McGrath: On a point of order, Mr. Speaker, my question to the minister was whether he would make a statement in the House. The minister apparently proposes to make the statement now during the oral question period.

Mr. Speaker: My understanding was that the question was accepted only to the extent that it sought information from the minister on whether a statement would or would not be made. That is the extent to which the question has been allowed.

Mr. Basford: Mr. Speaker, the estimates of the department are currently before the Standing Committee on Health, Welfare and Social Affairs, and I dealt at some length, I

thought, in that committee with the campaign we are running against misleading advertising—a very effective campaign, I might say—

Mr. Speaker: Order, please.

Mr. McGrath: On a point of order, Mr. Speaker, the members of the opposition parties are being denied an opportunity to comment or to react to this very important statement of policy because the minister refuses to make the statement in the House. Because of that I redirect my question to the minister in this precise form: will he make the statement of policy in the House in order to enable members of the House to comment on it?

Mr. Basford: Mr. Speaker, I have already made the statement, and I do not think the time of the House should be wasted by making the same statement again. If it is thought appropriate that I make a further statement on misleading advertising, I will consider that.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF COMMISSIONER E. M. J. A. SASSEN, EUROPEAN ECONOMIC COMMUNITY

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, may I have the indulgence of the House to introduce in your gallery Commissioner E. M. J. A. Sassen, Commissioner of the European Economic Community.

Some hon. Members: Hear, hear!

Mr. Basford: Commissioner Sassen's responsibilities include administration of those sections of the Treaty of Rome dealing with restrictive business practices, and we are delighted to have him in Ottawa for mutual discussions.

Mr. Baldwin: I hope he gets more out of you than we do.

VETERANS AFFAIRS

REQUEST FOR INCREASE IN PENSIONS AND ALLOWANCES

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. In view of the fact that many of my constituents, the latest being an 82-years old veteran of the first world war, keep asking me when veterans pensions and allowances will be increased by the implementation of the Woods report, can the minister please tell me what answer I can give to those who are suffering severely from the rising cost of living?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, this question has been answered many times in the House.

Mrs. MacInnis: A supplementary question. Can the minister indicate any probable date when the period of waiting will be brought to an end?

Mr. Dubé: Not at this time, Mr. Speaker.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question can be a supplementary question to the Minister of Veterans Affairs because it was pre-empted. Can the minister advise if the direction by cabinet to trim $500 million from the proposals of the Minister of National Health and Welfare with respect to increases for the disadvantaged included a cut-back on increases in war veterans allowances and disability pensions?

Mr. Dubé: This is not the case, Mr. Speaker. In any event, of course, I cannot comment on what takes place in cabinet.

SAINT JOHN VETERANS HOSPITAL—STATUS OF TAKEOVER AGREEMENT

Mr. Thomas M. Bell (Saint-John-Lancaster): By coincidence, Mr. Speaker, my supplementary question is also directed to the Minister of Veterans Affairs. It is in connection with the takeover of the military hospital in Saint John and the conflicting statements made by the minister and his counterpart in New Brunswick. Can the minister say whether he feels that the contract that has been held up can be brought into effect, or has it been completely terminated and will it have to be renegotiated?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): There is no military hospital in Saint John. This is a veterans hospital, and the agreement between the government of Canada and the province of New Brunswick has merely been postponed.

Mr. Bell: With respect to the correction that the minister has made I am glad to hear him make it. It is the first time I have ever seen him show concern for the veterans.

Mr. Speaker: Order, please. I apologize to hon. members who apparently still have questions to ask, but pursuant to the order of the

House made on Tuesday the House will have to stand adjourned until—is the hon. member for Peace River rising on a point of order?

Mr. Baldwin: Yes, Mr. Speaker.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. G. W. Baldwin (Peace River): Might I have the permission of the House and of Your Honour to ask the President of the Privy Council as Government House Leader, having in mind the very lean appearance of the order paper, what the minister proposes to put before the House next week?

Hon. Donald S. Macdonald (President of the Privy Council): Yes, Mr. Speaker. We only intend to put seven measures before the House in the coming week. For tomorrow's business we will have first the Bills of Exchange Act to be followed by the Supreme Court Act. Monday will be an opposition day. On Tuesday we will deal with the second reading of the Standards Council Bill, to be followed by the report stage of the Oil and Gas Conservation and Production Bill. On Wednesday we hope to carry to conclusion second reading stage of the National Farm Products Marketing Council bill. On Thursday we would propose to call the Law Reform Commission bill, but I would be glad to take into consideration the suggestion of the hon. member for Winnipeg North Centre that if the extensive committee discussion of this legislation requires a further full committee day we might make a special order for that day.

Mr. Forrestall: A supplementary question, Mr. Speaker. May I ask the government house leader when the House does get around to dealing with the amendments to the Canada Elections Act whether the government has any intention of dealing with sections 61 and 62 which were deleted from the terms of reference to the committee?

Mr. Macdonald (Rosedale): Any dealing with the Canada Elections Act would be confined to the subject matters discussed in the committee's report.

[*Translation*]

Mr. Speaker: In accordance with the provisions of the special order of the House passed on Tuesday, April 28, the House now stands adjourned until 11 o'clock tomorrow morning.

At 2.52 p.m. the House adjourned, pursuant to special order.

HOUSE OF COMMONS

Friday, May 1, 1970

The House met at 11 a.m.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF SPEAKERS AND DEPUTY SPEAKERS OF PROVINCIAL LEGISLATURES

Mr. Speaker: Order, please. Hon. members will permit me to bring to their attention the presence in the Speaker's gallery of a group of very distinguished parliamentarians and their wives who are to be in Ottawa today and tomorrow to attend the annual meeting of the Canadian Area Council of the Commonwealth Parliamentary Association. It is with much pleasure that I introduce to hon. members a group of parliamentarians noted in their respective Houses for their wisdom, impartiality, tolerance, judiciousness, patience and forbearance.

Some hon. Members: Hear, hear!

Mr. Speaker: By this description hon. members will immediately recognize the Speakers and Deputy Speakers of our provincial houses.

Some hon. Members: Hear, hear!

[*Translation*]

On behalf of all my colleagues of the House of Commons, I welcome them most heartily to Ottawa.

[*English*]

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

Third and fourth reports of Standing Committee on Indian Affairs and Northern Development—Mr. Watson.

Fourth report of Standing Committee on National Resources and Public Works—Mr. Hopkins.

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

GRAIN

TABLING OF WHEAT INVENTORY REDUCTION REGULATIONS

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 41(2) may I lay on the table of the House copies in both official languages of the wheat inventory reduction regulations referred to yesterday in the question period by the Minister without Portfolio (Mr. Lang).

EXTERNAL AFFAIRS

CAMBODIA—STATEMENT ON INVASION BY UNITED STATES AND SOUTH VIET NAM ARMED FORCES

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thought that the House might expect me to make a short comment on the situation in Cambodia. I am sure we all listened to President Nixon's speech with deep anxiety. There can be no doubt that the decisions he announced were hard and momentous at what is bound to be a difficult time for our sorely tried neighbour and a dangerous period for the world.

During the period before the International Control Commission was asked to leave Cambodia we were aware, as a member of the commission, of abuses of Cambodian territory by North Viet Nam and we deplored the inability of the International Control Commission to do anything about it, despite our best efforts over a period of years.

Mr. Diefenbaker: What date was that?

Mr. Sharp: Ever since the conflict began in South Viet Nam one of our objectives, and I am speaking now of Canada—

Mr. Diefenbaker: Would the minister allow one question so that the record might be kept straight? On what date were we asked to get out of Cambodia?

• (11:10 a.m.)

Mr. Sharp: I will come to that later.

Mr. Diefenbaker: You do not have the information?

Mr. Sharp: Mr. Speaker, may I be permitted to continue my statement?

Mr. Diefenbaker: If you do not even know that—

Mr. Sharp: Perhaps my right hon. friend has not been listening to the number of statements I have made in the House.

Mr. Diefenbaker: I asked a simple question which should have been answered.

Mr. Sharp: Ever since the conflict began in South Viet Nam, one of our objectives as a member of the commission was to try to insulate Cambodia from the effects of the Viet Nam war. To achieve this we tried to have the International Control Commission consider a Cambodian government request in 1966 to have the Control Commission supervise Cambodian ports and borders.

In 1967 we tried to have the commission strengthened by having it accept a United States offer of helicopters which Prince Sihanouk suggested the United States should provide for the International Control Commission. We tried in 1968 to have the commission undertake investigations into the presence of North Vietnamese and Viet Cong forces in the very area of Parrot's Beak, now the subject of military operations, on the basis of prime facie evidence provided by the Cambodian government and Prince Sihanouk himself.

Had we been successful in convincing our commission colleagues to take these measures, the International Control Commission might at least have been able to provide some warning of the magnitude of the Vietnamese Communist intervention in Cambodia which has elicited the present United States and South Vietnamese response and might even have helped avoid the situation developing to the present stage.

I certainly hope the situation in Cambodia will not now be allowed to develop as did the situation in Viet Nam. I deeply regret that the United States government has considered it necessary to take this step, but we are somewhat reassured that President Nixon has given an assurance of the limited nature of these operations and that United States forces will be withdrawn once their immediate objectives are achieved. It would be tragic, and I am sure this view is shared not only by all members of this House but by the American people themselves, if these operations were to result in a further escalation of the conflict in Indo-China.

[Mr. Diefenbaker.]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, we must all be very concerned about the developments to which the Secretary of State for External Affairs has referred and the announcement made by the President of the United States last evening concerning armed intervention in Cambodia. I am quite disappointed that the minister has not been able to tell the House this morning of any initiatives the government of Canada has in mind to be helpful in this situation.

Yesterday he indicated, and I agreed, that before the President spoke it would be premature for the Canadian government to decide what initiatives, if any, it might take. But the President has spoken and, indeed, announced somewhat more drastic action on the part of the United States than had been contemplated or expected up to that time.

I suggest that the government of Canada should not abandon hope for a conference like the Geneva conference. I am not in a position to know fully what difficulties there may be in this regard, but it seems to me it is of the utmost importance that every prospect be explored that may achieve some kind of international regulation of this situation which may very well escalate despite the hopes of the President and despite the hope expressed by the Secretary of State for External Affairs. I therefore urge the government of Canada to take the initiative in association with other countries that are concerned to see whether there is a possibility of a conference, along the lines of the Geneva conference that took place earlier, in order to try to find a solution to this difficulty.

I regret also that the government of Canada has chosen this time to cut back on its International Control Commission commitment. I recognize there have been difficulties in this regard. The Secretary of State for External Affairs referred to them this morning. But here again it is important that we retain and pursue every prospect of being helpful.

I do not know what efforts the government of Canada made in the past within the International Control Commission, other than those mentioned by the minister, to protest the presence of North Vietnamese troops in Cambodia. Yesterday the Secretary of State for External Affairs said this was a definite fact. As I say, this relates to the past. I am not minimizing the difficulties of the efforts of the government of Canada within the ICC as they relate to the past; I am not minimizing the difficulties of continuing to use the ICC in

a productive way. But I urge that the Secretary of State for External Affairs and his colleagues utilize every prospect of initiative, including the full utilization of the ICC rather than cutting back at this time. I also urge that they pursue vigorously the possibilities of any diplomatic initiative leading to some kind of an international conference to regulate this eruption which is causing so much concern to all of us and, indeed, to the whole world.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, unfortunately we did not have an advance copy of the statement made by the Secretary of State for External Affairs. We had to follow it by ear. I am sure all members agree with the minister when he said that we listened to the speech of President Nixon last night with anxiety and that we all regret the action which has been taken in the form of military intervention by the United States and South Vietnamese troops in Cambodia.

The minister has detailed the steps which led to the withdrawal of the International Control Commission because of their failure to insulate Cambodia. The fact is, of course, that the International Control Commission, particularly in Viet Nam, has been totally disregarded by both sides. This can be seen by anyone who takes the trouble to read the reports of that commission.

I think the important thing at the moment is to ascertain the reasons for the military intervention at this time. The President of the United States said in his television speech last night that North Vietnamese troops and the Viet Cong have been in Cambodia for years. What is the particular reason for action at this time? It is significant that the Cambodian government spokesman in Phnom-Penh said yesterday that the government had not approved the South Vietnamese-United States intervention and added that Cambodia is a neutral country. In Washington Thay Sok, the ranking diplomat at the Cambodian embassy, said:

> There is no agreement between Phnom-Penh and the United States to bomb Cambodian territory. We sent a protest to the U.S. government over a new bombing incident only last week.

• (11:20 a.m.)

So what was held out originally as an intervention at the request of the Cambodian government would now appear on the face of these reports to be a unilateral intervention. This is something which it seems to me is most serious. We have a special concern in this matter. Yesterday the Secretary of State for External Affairs made a comment that I had not protested about Vienamese troops being in Cambodia. I would point out that we do not have a defence-sharing arrangement with North Viet Nam, nor are we selling weapons to North Viet Nam, nor do we have North Vietnamese bomarc bases in Canada.

An hon. Member: Thank God.

Mr. Douglas (Nanaimo-Cowichan-The Islands): We are involved, whether we want to be or not, in any action which the United States government takes and in this case, unless there are facts which have not come to light, it would appear there has been a unilateral military intervention in Cambodia without either the approval or the consent of the Cambodian government—an intervention which the President said in his television address was to make sure that the United States did not become a second-rate power and that it did not suffer its first defeat in its 190-year proud history.

I think the government must do more than make a statement here on motions. I hope there will be an opportunity for a full debate on this question so that the Secretary of State and his colleagues can tell us what initiatives they intend to take.

During the past few weeks I have asked the Secretary of State for External Affairs and the Prime Minister whether the Canadian government would follow the lead of the government of France in asking for a reconvening of the Geneva conference. I drew attention to the fact that Mr. Jacob Malik, the Soviet ambassador to the United Nations, had said that the Soviet Union would be inerested in having the conference reconvened. It seems to me that this was the time to have seized the initiative and to have joined with other countries in pressing Britain and the Soviet Union, the joint chairmen of the Geneva conference, to reconvene the meetings in the hope that some settlement could be reached which would prevent the Viet Nam war becoming an Indo-China war.

Unfortunately, the only reply I got from both the Prime Minister and the Secretary of State for External Affairs was that Canada was willing to participate. Canada was not prepared, apparently, to take any initiative or to express publicly its desire for such a conference. When I suggested we might attempt to have this matter placed before the United Nations again, the Secretary of

State for External Affairs was most hesitant and timid. Full discussion of this subject is needed so that we may know whether the Canadian government intends to take any initiative whatsoever or whether it intends to stand idly by and watch a very serious and barbarous war in Viet Nam become a major war in Asia which may well have disastrous consequences for the human race.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, allow me in the first place to thank all my colleagues for the token of regard they gave me this morning, because 78 per cent of the people of Quebec have proved that they are definitely against separatism. In my opinion, all the right-thinking Canadians are as pleased as we are.

Mr. Speaker, in connection with the statement of the Secretary of State for External Affairs, I think that we all regret foreign interventions in Cambodia whether they are from the Viet Cong, the North Vietnamese or the Americans. I believe that Cambodia is entitled to its sovereignty and to the respect of all nations.

However, some of the attitudes we witness in the House are unfortunate. I have just heard the NDP leader (Mr. Douglas) taking the Americans to task for their intervention in Cambodia. But he did not censure—we are all convinced of this—the Viet Cong and the North Vietnamese for their intervention. Why? He has just explained that they did not supply weapons to North Viet Nam, that the NDP did not mobilize troops or force anyone to come to the assistance of that country. He did not say however whether the Chinese Communists or others have given help and advice to these people to enable them to settle in Cambodia or to try to take it one way or another.

In any case, blaming one side and ignoring the other will not solve the problem. A general debate on this question in the House of Commons will not solve the problem either. Even if soldiers armed with pea shooters were sent to Cambodia, they would be unable to drive out the Americans or the North Vietnamese, even if they were under the command of the hon. leader of the New Democratic Party.

Some hon. Members: Hear, hear.

Mr. Caouette: In my opinion, it is the duty of all Canadians to suggest that meetings, discussions and debates be held between parties concerned so that understanding prevails. However, the Canadian government or the Canadian people have no business in interfering in that matter. Even if we discussed it for three months, the situation would not be solved. Canadians must appeal to the good judgment of parties concerned because finally, North and South Vietnamese, Americans and Chinese are human beings. It is a matter of appealing to their reason, not to their lower instincts which lead them to kill one another. On the contrary, we must teach them the great rule of brotherly love. Thus will Canada be able to contribute to the settlement of the conflict which has already lasted for too long in Viet Nam and Cambodia.

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

[*English*]

MOTION TO ADJOURN UNDER S.O. 26

EXTERNAL AFFAIRS

CAMBODIA—INVASION BY UNITED STATES AND SOUTH VIET NAM ARMED FORCES

Mr. David Lewis (York South): Mr. Speaker, I ask leave, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, as evidenced by the brief statement made by the Secretary of State for External Affairs (Mr. Sharp) a few minutes ago, namely, the announcement last night of the widening of the war in southeast Asia, which increases the dangers to world peace, and the urgent need for the government and Parliament to debate the seriousness of the situation, and to seek ways and means of avoiding further escalation of the war and of promoting effective international action to bring peace to the area.

• (11:30 a.m.)

Mr. Speaker: The hon. member for York South has given the Chair the required notice under the terms of Standing Order 26. I have had time to give a bit of thought to the submission contained in the proposed motion of the hon. member for York South. Unquestionably this is a matter of great importance and concern to all hon. members.

Whether there should be an adjournment of the proceedings of the House today under the terms of the Standing Order is the decision the Chair must make at this time. It is not an easy decision to make. It may well be that such an important debate could be held

in the House more effectively and more constructively by prearrangement among the House Leaders. However, this avenue is not provided in Standing Order 26 and the decision has to be made by the Chair.

In view of the fact that from a procedural standpoint I would find it extremely difficult to reject the motion and in view of the importance of the matter I feel I must put the motion proposed by the hon. member. I will therefore ask whether the hon. member for York South has leave to move the motion for the purpose of the House discussing the matter introduced by him under the terms of Standing Order 26(8).

As there is no opposition, the proposed motion will stand over until three o'clock this afternoon.

ORAL QUESTION PERIOD

FINANCE

CONSIDERATION OF REDUCTION OF INTEREST RATES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had intended to pursue a question or two with the Secretary of State for External Affairs on the difficulty in Cambodia, but in view of the debate this afternoon I shall turn my attention to the Minister of Finance. In view of the apparently changing international business climate, is it contemplated that any reduction in interest rates in Canada will be considered? Also, is it contemplated by the Minister of Finance that the present bank rate will be continued or does he intend to open discussions with the Bank of Canada regarding this matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as I indicated on Wednesday, I am in very close consultation with the Bank of Canada. If there were any such decision it would be announced in the usual manner.

Mr. Stanfield: Mr. Speaker, I have a supplementary question. In view of the extent of unemployment in the country and in view of the concern that has been expressed about unemployment, as well as the apparently changing climate internationally, would the minister be prepared to reconsider the hard stance he has taken both in respect of interest rates and economic policies generally?

Mr. Benson: Well, Mr. Speaker, the matter of our fiscal and monetary policy is constantly under review. If there is to be any change I would announce it to the House.

Mr. Stanfield: Mr. Speaker, would the Minister of Finance not take into consideration that this is not simply a matter of policy to be announced in due course but a matter of the policies being pursued which are placing unnecessary strain upon the country and the people of the country?

Mr. Benson: Mr. Speaker, I think that is a very interesting statement but it is not a question.

LOWERING OF HOUSING INTEREST RATE

Mr. John Gilbert (Broadview): Mr. Speaker, my question is for the Minister of Finance. In view of the serious decline in housing starts for the first quarter of this year and the need to stimulate housing and provide employment, would the minister make representations to the Bank of Canada and Central Mortgage and Housing Corporation to lower the interest rate so that there may be more activity in the housing field?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the only interest rate controlled by the Bank of Canada is the rediscount rate.

EASING OF BANK LENDING POLICY IN SLOW-GROWTH AREAS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a supplementary to the Minister without Portfolio in charge of the loan acts which are administered by the Department of Finance. In view of the representations which have been made to his department, is he in a position to say whether the banks are ready to ease their lending policies under these three acts in the slow-growth areas of Canada? This question has been brought to the minister's attention.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I have been looking into this matter in consultation with officials of the department who are in touch with the banks, particularly in the hon. member's province, and I hope to have further progress to report shortly.

EXTERNAL AFFAIRS

CAMBODIA—INVASION BY UNITED STATES AND SOUTH VIET NAM ARMED FORCES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I do not wish to antici-

pate the debate this afternoon but it would be useful if the Secretary of State for External Affairs could give the House some information. Yesterday he said the Canadian government had not been consulted regarding the United States intervention in Cambodia. Since that time have any communications been received from the government of the United States setting forth the reasons for its action in respect of Cambodia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker; the Canadian government was not consulted about the United States' step in moving its forces into Cambodia. So far as I know there have been no further communications. The President himself gave the reasons to the public in the speech he made yesterday.

May I also be permitted to answer the question put earlier by the right hon. member for Prince Albert. The International Control Commission was first asked to terminate its mission by the Royal Cambodian government through an oral request on October 7, 1969. The request was repeated in a formal note in early December when the ICC was asked to adjourn *sine die* by December 31, 1969, and all ICC personnel were withdrawn by the end of the first week of January, 1970.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, when I asked the question originally I did so so that the record would be complete. I am glad the minister now has the information which was requested and has placed it before the House.

I should like to ask him this: When suggestions are made that Canada should be making representations to the United States while we ourselves are not taking any of the responsibility nor are expending our blood and treasure, does the minister not consider that such gratuitous advice from Canada to the United States is not in keeping with our responsibilities as a nation?

Mr. Speaker: The hon. member for Cape Breton-East Richmond.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a further question for the minister. Has he or the government been in touch with their friends in Peking with respect to taking initiatives?

Mr. Speaker: The hon. member for Esquimalt-Saanich on a supplementary.

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

Mr. MacInnis: Mr. Speaker, on a point of order, I think the minister should get up and tell us what initiatives they are taking with their friends in Peking.

Mr. Speaker: That is not my impression.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I appreciate the minister's reply to the right hon. member for Prince Albert, but can he inform the House whether or not the Cambodian government has protested to the International Control Commission for Viet Nam, the country from which these forces are moving across the Cambodian border, and whether he has knowledge of any communication that may have been received by the Viet Nam commission rather than the Cambodian commission?

Mr. Sharp: Mr. Speaker, as I said in the statement I made at the beginning, there have been many efforts by us to bring to the attention of the world the presence of North Vietnamese forces in Cambodia. It is because of the many frustrations we have experienced that we do not want to return if asked—and we have not yet been formally asked—unless we can carry on our responsibilities. I am sure this is a view which must be shared by all members of the House. We have been frustrated also in all our efforts, whether in Viet Nam, Laos or Cambodia, when the International Control Commission was in operation.

Mr. Anderson: A supplementary question—

Mr. Speaker: Order, please. I will allow the hon. member a supplementary but again I must point out that an emergency debate has been allowed on which I assume some hours will be spent today. I do not think the question period should be reserved or set aside for questions on that same matter. However, the hon. member will be allowed to ask his supplementary.

Mr. Anderson: I appreciate your generosity, Mr. Speaker. It is really to obtain information that I ask these questions, and perhaps it is easier now than it would be in the debate. I appreciate the frustration the Secretary of State for External Affairs referred to as I served for a short period of time as acting Canadian commissioner in Cambodia—

Mr. Speaker: Order. The hon. member is anticipating the debate. If he has a question he should put it now.

Mr. Anderson: Has there been any protest or communication to the International Control Commission in Viet Nam by the Cambodian government? I am not referring to the now defunct commission in Cambodia but to the commission in Viet Nam, in the country from which these forces are actually crossing the border into Cambodia?

Mr. Sharp: Mr. Speaker, I think this is a very important question and I will attempt to answer it during my intervention in the debate.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

QUEBEC—PROVINCIAL ELECTION COVERAGE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to ask the Prime Minister a question.

Several months ago he stated in no uncertain terms that if the Canadian Broadcasting Corporation did not improve its news services, he would close the shop. Well, last Wednesday night we all noticed that the new premier of Quebec was given about ten minutes on the CBC newscast, Mr. Bertrand about five minutes, Mr. Samson three or four minutes, but half an hour was devoted to Mr. René Lévesque and the separatists of the province of Quebec.

Can the Prime Minister tell us whether he will consider the situation, and should he find it necessary to close the shop, will he make it snappy?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Speaker, I can give this undertaking to the leader of the Ralliement créditiste. For my part, I am busy dusting my Chinese vases.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker. When the Prime Minister moves on this matter, could he also find out from the CBC how many complaints it received on Wednesday night about the election coverage or the lack of it?

Mr. Trudeau: I will refer this question to the minister who will no doubt refer it to the corporation.

INQUIRY OF THE MINISTRY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I would like to ask the Prime Minister a question in view of the circular that I presume has come across the desks of all hon. members. Would he take this opportunity to explain these remarks which he made during a press conference:

—of course I can't go into the mind of Quebeckers—

And then almost in the same breath:

I think there is a lot of confusion in the minds of the people of Quebec.

Would he mind explaining these statements?

Mr. Speaker: Order, please. I think the Prime Minister would want to present this explanation by way of a statement on motions.

Mr. MacInnis: Mr. Speaker, I do not think there is any harm in trying to direct the Prime Minister's mind—

Mr. Speaker: Order, please.

EXTERNAL AFFAIRS

CO-OPERATION WITH UNITED STATES ON CONTROL OF POLLUTION IN GREAT LAKES

Mr. G. W. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of a recent statement by the Chairman of the Ontario Water Resources Commission that Canada and the United States are on a collision course over the Great Lakes pollution problem, has the minister discussed with the U.S. Secretary of the Interior, or any other member of the U.S. administration, some means of providing better co-operation by Canada and the United States on this matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the International Joint Commission has submitted its report on pollution of the Great Lakes to me. I have asked the United States government to agree with us on a time for release of this report which I think will provide a basis for action by both governments. We are working very closely with the United States and I expect our co-operation will be even closer in future.

Mr. Aiken: Would the minister take up with the United States authorities the question of Canadian subsidiaries of U.S. corporations which apparently are not adhering to some of the programs and standards of the Ontario Water Resources Commission?

Inquiries of the Ministry

Mr. Sharp: Mr. Speaker, I think that all these questions will arise out of the action that will be promoted by the report of the International Joint Commission.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I would like to ask the Secretary of State for External Affairs whether the government of Canada was acquainted with the contents of the speech delivered by the Chairman of the Ontario Water Resources Commission before its publication and, if so, can he tell us to what extent the accusations made by the Chairman of the Ontario Water Resources Commission reflect the official Canadian position?

Mr. Sharp: No, Mr. Speaker.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I direct my question to the Minister of Indian Affairs and Northern Development. Has he any report to give on the meetings that have taken place between representatives of the government of Canada and the government of the province of Quebec with the Eskimos? He stated a couple of weeks ago that he expected a report shortly.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No, Mr. Speaker, I have nothing new to tell the House. I suggest, however, that it would be advisable to wait until the appointment of the new minister before having serious discussions on this matter.

[*English*]

GIFT OF MONEY BY SOUTHEAST ASIA COUNTRIES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, might I ask the Minister of Indian Affairs and Northern Development whether he has acknowledged with thanks the contribution made by certain countries in Southeast Asia in the form of assistance for Eskimos and Indians in Canada, for the reason that the plight of Canada's native people requires assistance? Is he aware that a gift of over $1,000 was made available by these countries in Southeast Asia? This shows the image which Canada has abroad in this regard.

[Mr. Aiken.]

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have read the statement that appeared in the press on this matter, and I hope that the policy that the Prime Minister and myself have announced last June, in an effort to ensure equality to all Canadian citizens in accordance with the Canadian Bill of Rights, will be enthusiastically received by all Canadians, including the right hon. member for Prince Albert.

[*English*]

Mr. Diefenbaker: Mr. Speaker, if the minister will now answer the question, has he acknowledged with appreciation the gift from these countries in Southeast Asia, some of which are poverty-stricken but which, because of the reported conditions of Canadian Indians and Eskimos, have made a contribution to raise the standards of these people?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not know what association can have sent those funds. However, if there is some confusion in the minds of some people abroad, it results from the fact that members of Parliament try to derive some political benefit from the situation, instead of suggesting adequate solutions.

[*English*]

Mr. Diefenbaker: The minister speaks for himself. What an admission on his part.

SHIPPING

SAFETY AND MANNING CONDITIONS ON WEST COAST TOWBOATS

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Transport. It has to do with the recent federal report in regard to dangerous conditions in the tugboat industry of British Columbia. Can the minister indicate whether any progress has been made in the discussions between the workers and the operators to reduce the hazards in this industry which were brought to light by the federal report?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I indicated two days ago in the House I took the initiative to have the head of the steamship inspection branch convene a meeting in Vancouver. I think four sessions have been held. At these both the employers and the various unions have been represented. The meetings are continuing and the last word I had was that progress was being made, and there is some

optimism that recommendations will be brought forward unanimously which will help us to introduce the appropriate regulations. I do not know how long this will take.

FISHERIES

ASSISTANCE TO SASKATCHEWAN FISHERMEN BECAUSE OF MERCURY POLLUTION

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is directed to the Minister of Fisheries and Forestry. Has the province of Saskatchewan requested some arrangement for the provision of assistance to those fishermen whose livelihood will be affected as a result of mercury pollution in Saskatchewan?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is no, Mr. Speaker.

NATIONAL PARKS

SUPREME COURT DECISION UPHOLDING VALIDITY OF PERPETUAL LEASES

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. Has the minister completed his study of the decision of the Supreme Court of Canada with respect to perpetual leases in the national parks, and is he now prepared to provide answers to the questions I asked on March 20 last?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not in a position to report any decision in this regard to the House. Officials of my department and of the Department of Justice are examining this Supreme Court decision and we will subsequently announce government policy for the solution of the problem.

[*English*]

TRANSPORT

SHIPMENT OF OIL BY TANKER SUBMARINES UNDER ARCTIC ICE

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Minister of Transport. Can the minister indicate whether discussions have been held between officials of his department and General Dynamics of the United States concerning tanker submarines for transporting oil under the Arctic ice? If so, would he indicate whether a study is under way to determine the best type of undersea navigational aids required and whether such a study would involve the establishing of an east coast terminal?

Mr. Speaker: Perhaps the minister might want to reply to the first part of the question. The second part appears to me to be very technical and it seems to me should be replied to by way of a statement on motions. If the hon. member will agree to the suggestion, the minister might reply to the first part of the question.

Hon. Donald C. Jamieson (Minister of Transport): What might be described as low-level talks—that is, I cannot say there is any great degree of urgency in them—have been initiated with various groups who come to see us with various proposals for the transportation of substances under water. But I do not think it is something I would regard as being a priority item in the government's mind at present.

ESTABLISHMENT OF SUBMARINE IDENTIFICATION ZONE

Mr. J. M. Forrestall (Dartmouth-Halifax East): I should like to direct my supplementary question to the Secretary of State for External Affairs. In light of the question just posed and all the discussion of anti-pollution measures, can the minister indicate whether the government is giving any consideration to the establishment of a submarine identification zone inasmuch as military vessels are also great sources of pollution?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I find the question rather general in nature. Perhaps the hon. member could be more specific. What area is he referring to? Is he talking about the Arctic?

Mr. Forrestall: Perhaps I should rephrase my question. Is the government giving any consideration to the establishment of submarine identification zones in our Arctic and off our east and west coasts?

POLLUTION

THE ARCTIC—REQUEST FOR STATEMENT ON MEASURES TO ENFORCE ANTI-POLLUTION PROVISIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, perhaps the Prime Minister will recall that some time ago I

asked him whether he would be prepared or would ask an appropriate minister to make a statement on motions in the near future outlining to the House the measures that the government proposes to adopt and follow relating to the enforcement of Bill C-202, establishing anti-pollution control in the Arctic waters?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is true that the Leader of the Opposition asked me this, and at the time I answered him that the bill is still before the House. It is still before the standing committee, so I see no need to make such a statement.

Mr. Stanfield: The Prime Minister will recall, on reflection, that he said he would consult his ministers to see whether such a statement should be made. I ask him to bear in mind that the bill itself does not deal with the question of enforcement. In view of the importance of establishing the will of Parliament to combat pollution in the north, would the Prime Minister not agree that it is equally important that we know what measures the government proposes to adopt to enforce this bill? That is the question I asked the Prime Minister.

Mr. Speaker: I am sure the Leader of the Opposition would agree that his supplementary question is argumentative and cannot be accepted procedurally.

HOWE SOUND—RESULTS OF TESTS OF FISH

Mr. Harold E. Winch (Vancouver East): May I direct a question to the Minister of Fisheries and Forestry. I ask this question in the hope that the minister's reply can assist members of the House of Commons from the British Columbia coast. Is it possible for the minister to advise us how long he anticipates the scientific analysis of fish at Howe Sound will take in order to determine whether or not the present closure should be continued or relaxed?

Hon. Jack Davis (Minister of Fisheries and Forestry): I hope we will get the results on Monday, if not today.

INDIAN AFFAIRS

PROVISION OF HOUSING ON ESKASONI RESERVE

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Minister of Indian Affairs and Northern Development. In view of the continual representations by the residents of the Eskasoni Indian reservation deploring the poor and inadequate housing and the lack of adequate money for housing, would the minister at the first opportunity ascertain if remedial action can be taken to correct this serious problem?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am aware of the situation in which the Indians in the Eskasoni reservation, on Cape Breton, find themselves. I know that they are facing housing problems that need immediate attention and to which I shall give particular consideration. The hon. member must understand that we find the same problem in all parts of Canada and that it is always difficult to set priorities. If there is a more urgent problem at the Eskasoni reservation than elsewhere, it will be looked into immediately.

[*English*]

Mr. Muir (Cape Breton-The Sydneys): Would the minister not agree that situations where 10 to 12 citizens of Canada live in three or four rooms are probably not too common?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I know that the situation brings particular hardships—

[*English*]

Mr. Speaker: Order, please.

AIRPORTS

NEW BRUNSWICK—STUDY OF SITE

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Transport further to a question asked on November 4 by the hon. member for Moncton. Can the minister indicate what progress has been made with the study of traffic patterns in the Maritimes and the possibility of a central New Brunswick jet airport? I ask this question because the minister, very commendably, has some transportation meetings scheduled in New Brunswick and undoubtedly this information would be required.

Hon. Donald C. Jamieson (Minister of Transport): If the hon. member will permit, I will take the question as notice so as to get the most up-to-date details and I will try to answer it early next week.

TRANSPORT

ACTION TO EXPEDITE MOVEMENT OF GRAIN

Mr. A. B. Douglas (Assiniboia): Mr. Speaker I have a related question for the Minister of Transport. Last Friday I asked the minister about the delay in grain shipments at Thunder Bay. Has he had an opportunity to investigate this situation, and can he assure us that every effort will be made to expedite grain movement into and out of all our ports in order—

Mr. Speaker: Order, please. The question is only distantly related to the previous one, but it has been asked and the minister might be allowed to reply briefly.

Hon. Donald C. Jamieson (Minister of Transport): While I am examining air patterns in the Atlantic provinces I will certainly take into account this related and clearly closely allied question having to do with grain movement in the west.

INDUSTRY

AUTOMOTIVE MANUFACTURING ASSISTANCE REGULATIONS—EXTENSION OF EXPIRY DATE

Mr. J. Edward Broadbent (Oshawa-Whitby): My question is for the Minister of Industry, Trade and Commerce. Could the minister inform the House whether the government has decided to extend the June 30 expiry date of the automotive manufacturing assistance regulations?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): As I said a few days ago, this is under study and I will report to the House when a decision has been made.

Mr. Broadbent: On a point of information, Mr. Speaker, the question asked a few days ago referred to the TAB agreements and not to the automotive manufacturing assistance regulations.

Mr. Speaker: Order, please.

AIRPORTS

TORONTO—PROPOSED BEVERLEY TOWNSHIP SITE

Mr. A. D. Hales (Wellington): I should like to direct my question to the genial Minister of Transport. It concerns the proposed auxiliary airport at Toronto. In view of the great number of rumours in the newspapers and on television concerning a proposed site in the Beverley Township area, could the minister say now whether this area is or is not being considered?

Hon. Donald C. Jamieson (Minister of Transport): I cannot say for the very simple reason that I personally have deliberately avoided getting involved in the actual locations. I can only repeat what I have said on many previous occasions, that about four or five different locations are being examined. There will be no disclosure concerning these until such time as a final decision has been made.

Mr. Hales: In view of the fact that the minister said there were four or five areas, could he say if this is one of them?

Mr. Speaker: Order, please.

POLLUTION

OTTAWA RIVER—AREA OF COMMERCIAL FISHING BAN

Mr. Leonard Hopkins (Renfrew North): Because of the concern that has been created in all communities bordering on the Ottawa River by the announcement of the Minister of Fisheries and Forestry concerning mercury pollution in the Ottawa River, and also in view of the announcement today, I believe, by the provincial Minister of Lands and Forests of a ban on commercial fishing in the Ottawa River, is the Minister of Fisheries and Forestry prepared at this time to indicate the section of the river about which there is the most concern?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, it is that stretch downstream of Ottawa and Hull.

TRANSPORT

IMPROVEMENT OF FERRY SERVICE BETWEEN NEWFOUNDLAND AND MAINLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Transport. It is prompted by statistics which indicate the very serious inadequacies in surface transportation between Newfoundland and the mainland of Canada now existing, of which the minister is well aware and in which he is interested, and which are underscored by the sinking of the *Patrick Morris.*

Inquiries of the Ministry

Mr. Speaker: Order, please. Would the hon. member please ask his question.

Mr. McGrath: This is a very serious matter, Mr. Speaker, and I thought a short preamble would point up the seriousness of it. What steps is the government taking to correct the serious inadequacies in surface transportation between Newfoundland and the Mainland of Canada as a consequence of the sinking of the *Patrick Morris*?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there are two sides to the problem, one involving the transportation of cargo and the other the transportation of passengers. In so far as the passenger side of it is concerned, a number of proposals are now being considered but there is difficulty with regard to maintaining adequate service at both the western and eastern terminals. I am looking to see if there is a substitute ship which could be added during the peak summer months. On the question of the sinking of the *Patrick Morris* and a replacement, we are searching now to see if there is a vessel that might be suitable as a replacement. We are also looking at the possibility of using, during the summer months, a tow barge or a system such as that used on the west coast. A number of alternatives are being looked at and we will make an announcement as fast as we can.

AIR TRANSPORT

SERVICE BETWEEN REGINA, SWIFT CURRENT, MEDICINE HAT AND CALGARY

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, may I direct a supplementary question to the Minister of Transport about transportation on the prairies. When will a decision be made by his department to inaugurate some type of air transportation between Regina, Swift Current, Medicine Hat and Calgary?

Mr. Speaker: Order, please. That question is hardly a supplementary but the minister may want to reply.

Mr. Jamieson: Mr. Speaker, I am doing my very best to see that the hon. member gets adequate transportation to and from his headquarters. I hope that the Canadian Transport Commission will be able to make its decision on the pending applications within a very short time.

Mr. McIntosh: When? Before my old age pension is due?

[Mr. McGrath.]

IMMIGRATION

ADMISSION OF UNITED STATES DRAFT DODGERS AND DESERTERS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Solicitor General. In view of statements made recently by the federal government's committee on youth that United States draft dodgers and deserters admitted to Canada are getting involved in crime on a greatly increasing scale, is the government considering any new steps to try to screen such immigrants more carefully in future?

Mr. Speaker: Order, please. I would think that the question asked by the hon. member invites a very general statement, and I would think that kind of statement ought to be made on motions. The minister might like to indicate for the benefit of the House whether such a statement is being considered.

Mr. Scott: May I ask a supplementary question, Mr. Speaker. I do so in view of statements made by the committee on youth that a large percentage of draft dodgers and especially deserters coming into this country are poorly educated. Many of them lack trade skills or professional training and consequently a large percentage of these people have found it difficult and even impossible to find jobs.

Mr. Speaker: Order, please. That is hardly a supplementary question. It cannot be put to the House in this way. It is a submission which the hon. member must assume has been noted by the minister.

INDUSTRY

STUDY ON FOREIGN CONCESSIONAL FINANCING

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. It has to do with the previous inquiry I made regarding the study of foreign concessional financing. When I asked the question the minister indicated that the study would be ready soon. Is it now ready?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, we are still trying to develop a policy statement. In the meantime we have sent one of our officers to Great Britain to discuss this matter with the British authorities. As is well known, this concessional financing is coming to Canada from Great Britain.

Mr. Speaker: The hon. member for South Western Nova. I apologize to the hon. member. I am sure his patience will be rewarded in a few seconds. I think the hon. member for Waterloo has a supplementary.

Mr. Saltsman: A supplementary question, Mr. Speaker. Could the minister give some indication of how long it will take before he is in a position to give some definite information to industry in Canada which will indicate that there are some answers to this problem?

Mr. Pepin: Mr. Speaker, as is so well known, my difficulty lies in attempting to reconcile the conflicting interests in the Canadian business community.

TEXTILES—ANNOUNCEMENT OF NEW GOVERNMENT POLICY

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. Inasmuch as the statement on textile policy was to have been forthcoming in the month of April and since the month of April ended yesterday, can the minister now tell us, without using the word "soon", when we may expect such statement?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I can only say that the month of May immediately follows the month of April.

Mr. Comeau: A supplementary question, Mr. Speaker. Can the minister now tell us whether he has met with the provincial ministers and whether he will be able to make a statement next week?

Mr. Pepin: Mr. Speaker, I have met with as many people as I could, and when it was not physically possible for me to do so my officers have done so.

AIR TRANSPORT

REPORT ON CRASH AT WABUSH

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Thank you for recognizing me, Mr. Speaker, after I had almost given up hope. My question is to the Minister of Transport. Since it is almost six months since the crash of the DH-125 jet at Wabush which claimed the lives of a number of officials of Churchill Falls Corporation, can the minister give any indication when the report on the investigation by his department will be released?

Inquiries of the Ministry

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I could not attempt to give a date but I hope it will be very soon.

RESEARCH

REQUEST FOR STATEMENT ON STUDY OF INDUSTRIAL USES FOR GRAIN

Mr. Doug. Rowland (Selkirk): Mr. Speaker, may I direct a question to the President of the Treasury Board? In view of the current surplus of grain in Canada, will the minister give consideration to making a statement on motions in order to inform the House of the sort of research in which the National Research Council is involved with respect to industrial uses of grain? Should he decide to make such a statement, would the minister also make specific reference to studies respecting the feasibility of adding quantities of grain alcohol to fuel for motor vehicles as an anti-pollution measure?

Mr. Speaker: Order, please. The hon. member should not make the statement himself.

Mr. Gilbert: Answer!

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, it is a very interesting proposition. I will be glad to look into it.

PRIME MINISTER

ITINERARY OF ASIAN TRIP

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, may I direct a question to the Prime Minister? In view of his upcoming Asian trip, when is the Prime Minister going to release his itinerary? Also, does it include Viet Nam?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the itinerary is subject to approval by all the countries I am visiting, and is not final yet. Thus far there is no indication of Viet Nam in it.

TRADE

EFFECT OF REPORTED AGREEMENT TO BE SIGNED WITH NEW ZEALAND

Mr. R. E. McKinley (Huron): Mr. Speaker, may I direct a question to the Prime Minister? It has been reported that a new trade agreement will be signed with New Zealand. Will this in any way change the trade arrangements that we now have with New Zealand?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not in a position to divulge what agreements might transpire between Canada and New Zealand.

ADMINISTRATION OF JUSTICE

INQUIRY AS TO LEGISLATION RESPECTING JUVENILE DELINQUENTS

Mr. John Gilbert (Broadview): Mr. Speaker, may I direct a question to the likeable and lovable Solicitor General.

Some hon. Members: Hear, hear!

An hon. Member: Now you will have to answer, George.

Mr. Gilbert: I should like to ask the Solicitor General whether, in view of his desire to incorporate into legislation the recommendations of the report on juvenile delinquents, he will bring in amendments to the Juvenile Delinquents Act or bring forth a young offenders act? If so, will that be done before the present session finishes?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, we are in the process of drafting legislation on the subject of young offenders. The name of the new bill, of course, will not be determined until shortly before it is disclosed to the House. We are now at the stage of the fourth draft of the legislation and it will have to be considered by the government for official approval before being presented to the House for its consideration. I am unable to say at the moment whether or not that will be done during the present session.

Mr. W. C. Scott (Victoria-Haliburton): A supplementary question, Mr. Speaker. Will this new legislation also apply to the young American draft dodgers?

TRADE

ATTENDANCE OF CANADIAN REPRESENTATIVES AT CANTON FAIR

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. I should like to know whether the apparent impasse in the Canadian-Chinese talks at Stockholm has affected the presence of officials of his department at the Canton Trade Fair, which it is normally their practice to attend twice a year?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, my officers and trade commissioners are there, as well as 50 Canadian businessmen. I might say very confidentially to the House—

Some hon. Members: Oh, oh!

Mr. Pepin: —that Canadian trade commissioners are the only ones in the world who have been allowed to stay there for the full duration of the fair.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—AMENDMENTS TO WHEAT BOARD ACT REGULATIONS

Mr. John Burton (Regina East): Mr. Speaker, my question is for the Minister without Portfolio in charge of the Wheat Board who is on the roster for today. In his absence, I will direct it either to the government House Leader who tabled the wheat inventory reduction regulations, or another appropriate minister. In view of the fact that these regulations tabled today cover only one portion of the Operation Lift program, can the minister indicate if the amendments to the regulations under the Canadian Wheat Board Act, also involved in this program, have been passed by this date?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I do not know Mr. Speaker. I will find out and report next week.

Mr. Burton: A supplementary question, Mr. Speaker. In view of the fact that the wheat inventory reduction regulations were passed on April 21 and only made available today, will all necessary steps be taken to expedite both the passage and publication of the regulations under the Canadian Wheat Board Act?

Mr. Speaker: Order, please. The hon. member will recognize that he is now making a submission which he has to assume has been noted. Orders of the day.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): I rise on a point of order, Mr. Speaker, with regard to today's business. I may say there have been some discussions and the order has been inverted. The first item to be called will be the Supreme Court Act, to be followed by the Bill of Exchange Act. I also wish to report there have been some discussions regarding the calling of the Law Reform Commission Bill today. There is no agreement amongst the parties to bring it forward; therefore it will not be called today.

GOVERNMENT ORDERS

SUPREME COURT ACT

AMENDMENTS RESPECTING APPEALS

Hon. John N. Turner (Minister of Justice) moved that Bill C-182, to amend the Supreme Court Act, as reported (without amendment) from the Standing Committee on Justice and Legal Affairs, be concurred in.

Motion agreed to.

Mr. Turner moved that the bill be read the third time and do pass.

Mr. John Gilbert (Broadview): Mr. Speaker, this bill can be classified as a housekeeping bill because the amendments, although they are important, are not extensive. I am sure that when the amendments have been passed they will greatly expedite the business of the Supreme Court. I read that last May and June there were between 48 and 50 cases listed to be heard in those two months. This indicates the weight of the work these judges must do.

I hope when the minister brings forth his next amendments to the Act he will adopt some of the suggestions that have been made to the effect that there should be an increase in the number of judges in the Supreme Court.

Mr. Knowles (Winnipeg North Centre): Are you available?

Mr. Gilbert: I might say that I am not available, nor am I volunteering. There has also been some criticism with regard to the distribution of the judges on the Supreme Court. I understand that three are appointed from Quebec, three from Ontario, one from the east coast, the Maritimes, and two from the west coast, making a composite of nine.

Mr. Turner (Ottawa-Carleton): That is from the whole west.

Mr. Gilbert: I have heard the recommendation that the number should be increased to at least 11 judges so that there could be a wider representation from the Maritimes and from western Canada. I hope the minister will take that into consideration when he next presents an amendment.

There has been some discussion as to whether certain types of cases should be referred to the Supreme Court, cases such as negligence cases, taxation cases and expropriation cases. These constitute a fair number of the cases before these judges. I hope when the minister is considering any amendments in the future he will take this into consideration.

With regard to negligence cases, I hope that the provinces will see the wisdom of compulsory automobile insurance and take those cases out of the provincial courts. I notice some of my legal friends winced when I said that. It is very important, Mr. Speaker, that justice be done. Justice will be more than done when these cases come under compulsory automobile insurance, and are taken out of the courts. They take up a great deal of time and sometimes the results are not too favourable to the people who have been injured.

My last point is probably the most important. I mentioned it briefly to the minister when the bill was before the committee. I refer to the necessity of a possible direction to the Supreme Court, by way of an amendment, permitting the court to take the sociological view with regard to constitutional questions. Studies in the past have shown that the judges closely follow the words contained in the constitution, and this has resulted in our laws being ineffective from a sociological point of view at times.

There is a great deal of legislation which is coming forth that impinges on the constitution. I think that the members of the Supreme Court should have some direction from the minister or they themselves should make a statement that they intend to follow the sociological view which incorporates the economic, cultural and sociological aspects of Canadian life. They have been tied too closely to the literal interpretation and to following precedents. If the minister does not deem it wise to make this type of amendment to the Supreme Court Act, I urge the Supreme Court judges to make a statement with regard to it.

I noticed that when welcoming the new judges to the Supreme Court the other day the president of the Canadian Bar Association gave a direction to the court, *ex cathedra*. He said he hoped they would not become involved in a sociological view. I want to say, as a member of the bar for Ontario and as the representative of the constituents of Broadview, that this is very important and should be done. It is done in the United States and I understand it is also done in England.

• (12:20 p.m.)

The Minister of Justice is very progressive. He has put some forward looking legislation on the Statute books of Canada. I look forward to the minister taking the initiative

with regard to future amendments of the Supreme Court Act which will be in keeping with the times. The administration of the law, Mr. Speaker, is very important. There is a social confrontation which is taking place. It is our duty to keep the law in tune with the times. I feel sure the minister will follow that suggestion.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, before the minister replies, I wish to indicate my interest in the appointment of new judges. I ask the minister if all the vacancies in New Brunswick have been filled. If not, when does the minister expect to fill any vacancies that exist?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I do not intend to speak further on the bill because I spoke at length on second reading and in committee. In answer to the hon. member's question, I am searching for the best possible replacement for the Court of Appeal vacancy in New Brunswick.

Mr. Bell: There are a lot of people who are anxiously waiting.

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

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

BILLS OF EXCHANGE ACT

AMENDMENTS RESPECTING BILLS AND NOTES

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved that Bill C-208, to amend the Bills of Exchange Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, being a Minister of Consumer Affairs has its advantages and disadvantages. Today, one is conscious of the advantages, because it is with a great deal of personal pride and happiness that I introduce this bill and urge hon. members to support it. The bill seeks to amend the Bills of Exchange Act, and the proposed changes as outlined are intended to remedy a defect in the existing law which has created a serious injustice for many consumers. The difficulty arises from the application of rules originally applied to dealings between merchants in connection with consumer credit transactions. Merchants who deal with promissory notes and similar negotiable instruments are supposed to be completely aware of their significance. People in the commercial world are, I believe, conscious of the obligations they assume when signing a promissory note, but the same cannot be said of the great bulk of ordinary consumers who are often not fully aware of the legal obligations they are assuming when they sign promissory notes which are collateral to conditional sales contracts.

It is standard practice for vendors to assign such promissory notes to third parties, usually finance companies or banks. If the assignee of the note qualifies as a holder, in due course under the conditions laid down in the Bills of Exchange Act he is legally entitled to collect on the note without regard to any disputes that might arise between the buyer and the seller. Performance of the sales contract may be unsatisfactory for many different reasons. The most flagrant case is non-delivery. In other cases the goods may have been misrepresented or may be defective. Sometimes the sales contract calls for the provision of services which the vendor does not perform. It is not uncommon for the vendor to become bankrupt and fail to fulfil his part of the contract for this reason. In such cases the purchaser does not escape his obligation to pay the finance company or other third party which is holding his note. The holder, in due course, is by law insulated from any defects in the performance of the contract and can enforce payment through the courts. Most consumers do not fully understand the process of assigning promissory notes. Some of them believe they can force a vendor to perform properly on a contract by withholding their periodic payments. The finance companies may express sympathy with the difficulties of the buyer and often do, but it is ultimately made clear to the victimized consumer that this solution is not open to him. It is a regrettable fact that unscrupulous and fly-by-night operators have taken advantage of the holder in due course doctrine.

In discussing laws relating to credit or bills of exchange it is easy to fall into the trap of assuming that all credit is wrong and that all those engaged in the credit industry are bad. This is not true. The wise use of credit allows many of us to own things which we otherwise could not possess, and to live better than would otherwise be possible. That is the wise use of credit. There are companies in the industry which are fully conscious of the responsibilities they bear in allowing credit and helping people to use that credit prudently. It is also true, unfortunately, that there are some elements in the industry which are not as responsible as those I have mentioned. Glib and persuasive salesmen, often operating

from door to door, can and do take advantage of unsophisticated or gullible consumers. The prototype of this crew was the lightning rod salesmen of a few years ago. The wares may be different now but the basic approach is the same. Once the consumer has completed the formality of signing his name a few times to some innocent-looking documents he may find to his regret that he has assumed an unconditional obligation from which he cannot escape. It is the unconditional nature of the promissory note under the present law which makes it an unsuitable instrument for consumer credit transactions.

These issues are not theoretical ones; instances of inequity are commonplace. Hon. members are familiar with the Box 99 program which we operate in the Department of Consumer and Corporate Affairs. People are encouraged to write to Box 99, Ottawa, with their problems and complaints. We have in our bureau a great number of letters from people who have been victimized by the application of the law on bills of exchange as it now exists. I shall give hon. members a couple of examples so that they can see in a practical way the application of the present law, the law we are seeking to change in the bill before us.

Mr. C. purchased $4,500 worth of building supplies from a company to which he gave a promissory note. The building supply company assigned the promissory note to a finance company. The supplies were never delivered and the building supply company went out of business. Mr. C. was sued on the note and a judgment of $4,500 was given against him.

Mr. F. bought a vacuum cleaner on an instalment contract complete with a promissory note. The vacuum cleaner proved to be unsatisfactory and he stopped paying the finance company which had bought his note. He was sued successfully by the finance company, which garnisheed his wages. Mr. F. lost his job because his employer did not like garnishments.

The role of promissory notes in consumer credit transactions has been studied intensively by a number of government bodies as well as by private agencies and individuals in the last few years. The Royal Commission on the Cost of Borrowing Money, Cost of Credit, and Related Matters in the Province of Nova Scotia, was critical of the effect of promissory notes on consumers and concluded: "The purchaser is thus returned to the *caveat emptor* situation of the middle nineteenth century."

The final report of the Select Committee of the Ontario Legislature on Consumer Credit observed:

> Cases were brought to the committee's attention where the seller in an instalment sales transaction misrepresented to the purchaser, in some cases dishonestly and fraudulently, the terms of the contract. Yet the purchaser was compelled to pay the whole debt because the discounter of the promissory note (the finance company) which formed part of the contract was a holder in due course with no knowledge, or provable knowledge, of the representations made.

• (12:30 p.m.)

The Special Committee of the Senate and House of Commons on consumer credit and consumer matters which I had the honour and pleasure of co-chairing with Senator Croll recommended explicitly in 1967:

> Along with the purchase of the right to collect the consumer's money should go any undischarged obligations to the consumer that formed part of the original transaction.

That is why at the beginning of my statement I mentioned that it was with a good deal of pride and happiness that I rose to introduce this bill today, and I am satisfied that some of the recommendations of at least one committee on which I served are being implemented.

We hear a great deal in this House about the Senate, and sometimes we hear negative comment about the Senate. While some of that might be applicable, and since we are discussing this subject, I would like to pay tribute to the co-chairman of that committee, Senator Croll, who I think has been a very devoted public servant for years and years and who is an adornment to the other place and an adornment to the public life of Canada. Senator Croll has for years been agitating for the amendment that is before the House and that it is my pleasure to introduce today.

In addition to the public examinations that I have mentioned, both the Consumers Association of Canada and the Canadian Consumer Council have recommended a change in the existing law. The question has also been under review in the United States and a number of alternative techniques for changing the law have been proposed in the United States. Uniform Consumer Credit Code. The suggestions have already been adopted by a number of states in the United States, and one of the alternative techniques dealt with under the United States consumer credit code is the alternative that is before this House.

I should emphasize that the proposed amendment to the Bills of Exchange Act is

not the complete answer to faulty performance on time payment contracts. I want to emphasize that it is not the complete answer, and that we should pass this legislation in full knowledge of that fact. It will be of great value, but the action we are proposing to take today needs to be supplemented by remedial action by the provincial legislatures. This is because a conditional sales contract itself may contain, and often does contain, many clauses which impair the right of the consumer or the purchaser under the contract. Since the regulation of contracts is clearly under provincial jurisdiction, co-operative action by the provinces is essential if the effect of Bill C-208 is to be as complete as all of us would like it to be.

There is a standard clause in most conditional sales contracts in which the purchaser binds himself not to raise any defences against an assignee of a promissory note. This is another technique designed to isolate the finance companies from any arguments about the quality of the goods or performance under the sales contract. Similarly, there are the so-called disclaimer clauses by which the purchaser waives any common law protection he might have relative to the fitness of the goods. This means that the guarantees and warranties in the contract, which are usually limiting, replace any other legal rights of the consumer respecting the quality and performance of the goods he buys.

There have been extensive discussions between the federal and the provincial governments on this range of issues. The federal-provincial conference of officials on consumer affairs in October, 1968 explored the problem in detail and concluded that remedial action was highly desirable. The matter was again discussed at the later federal-provincial conference of ministers on consumer affairs which I hosted in Ottawa in April, 1969 and informal discussions have been carried on with the provinces since that time.

I have been confidentially advised that some provinces have already developed detailed proposals to support the federal initiative that we are taking today. The Bills of Exchange Act, as it now stands, discourages the introduction of reforms by the provincial legislatures. There is little point in changing the provincial laws relating to contracts if the changes can be frustrated, as they are, by the holder in due course provisions of the Bills of Exchange Act.

The changes proposed in the present amendment, Bill C-208, are overdue and I am confident that if they are achieved, supporting action will be taken by the provinces. This will pave the way to offering consumers in general more meaningful guarantees and warranties and the kind of protection under the various sales of goods acts and conditional sales acts of the provinces which they have been denied for so long.

When this Bill C-208 is passed by this Parliament and becomes law, the door is open to all the provinces to reform or, revise completely their laws relating to the sale of consumer goods, their sales of goods acts and their conditional sales acts. I hope, as I am sure all hon. members of the House hope, that when this bill is passed, the provinces will take advantage of that doorway, will go through it and revise their legislation applying to consumer purchases.

The Bills of Exchange Act is a formidable piece of legislation which constitutes part of the fundamental law of the country and we are making a fundamental amendment in the law. Any amendment to it must, therefore, be carefully formulated in order to avoid unintended effects on the law respecting negotiable instruments in general.

The amendment today is confined to promissory notes and bills of exchange "issued in respect of a consumer purchase" and by definition does not apply to business transactions—those transactions between traders as a matter of trade. Although a cheque is a bill of exchange, cheques and near-cheques—near-cheques are those issued by trust companies and certain savings associations—are only covered by the amendment if they are post-dated by more than 30 days. The inclusion of post-dated cheques and other bills of exchange is designed to prevent the evasion of the intent of the amendment by the substitution of these instruments—cheques or post-dated cheques—for promissory notes.

The first substantive provision of the amendment is that consumer bills and notes shall be prominently and legibly marked with the words "consumer purchase" on their face. If this is not done, if the notes are not marked in this way, the note or bill or post-dated cheque becomes void except under special circumstances where the holder is a holder in due course without notice. In addition, it is an offence to transfer such an instrument if its character is known; that is to say, if its character of being a consumer note or a consumer purchase is known to the transferer.

The second and main feature of the amendment is that the right of a holder of a con-

sumer bill or note to collect is subject to any defence or right of set-off that the purchaser would have had in an action by the seller. In other words, the equities in the original transaction between the vendor and the purchaser travel with the note and a finance company or subsequent assignee will not be able to claim the special status it has hitherto had. The purchaser will be able to raise, on an action or collection of the note, all the defences against the assignee that he could have raised against the original vendor.

One almost certain consequence of the amendment is that finance companies and others buying promissory notes will have, in order to protect themselves, to exercise greater care that the sellers from whom they are receiving the notes are not engaged in any fraudulent or shady operations. This is, to me, a very healthy development in the law. The new rules will make it more difficult for the "gyp" artist and irresponsible sellers to operate.

It has become a commonplace observation that credit has become a way of life. The growth in the volume of consumer credit since the Second World War has been explosive and is involving an increasingly higher proportion of the population. Many innovations have been introduced in the consumer credit field and the law must be as innovative as the practices in the consumer credit industry. We cannot expect consumers to be fairly treated in the last half of the 20th century if we rely on laws and legal concepts which are outmoded and in some cases irrelevant. I would hope that this bill will receive the enthusiastic support of the members of this House so that it can become the law of the land and provide relief and rights to consumers that they have not had up until now. I would also hope that it will pass and become law, certainly by the end of June.

• (12:40 p.m.)

Mr. James A. McGrath (St. John's East): Mr. Speaker, we find very little to criticize in the principle of the amendment before us. I heard with interest the minister's speech which was an enlargement of the statement he made on April 27 following the introduction of the bill. I do not doubt the minister's tremendous interest in protecting the consumers of this country, but he certainly must be complimented on the tremendous public relations division he has set up within his department. If not every other day, certainly not a week goes by without a most interesting statement appearing across our desks from the Minister of Consumer and Corporate Affairs (Mr. Basford).

Mr. Basford: I want to keep you informed.

Mr. McGrath: If it is not a policy statement from Vancouver, it is a statement explaining the introduction of a bill before the debate has commenced. My point is that the minister would be better advised to make his statement to the House of Commons first, and use this House as a vehicle for making his statement to the public, especially when he makes a statement following first reading of a bill before the House has had an opportunity to debate it. We are concerned about the tendency of this government to erode, by this device, the traditional rights of Parliament.

In his statement on April 27 the minister said, and he repeated it here today, that the change in the law follows the recommendations made by the Special Joint Committee of the Senate and House of Commons on Consumer Credit, the Consumers Association of Canada, the Canadian Consumers Council, various authorities responsible for consumer credit legislation and various experts on consumer law. I am amazed that the minister did not give credit to the members of this House who during the past years have introduced bills on this very subject. As a matter of fact, it was as a consequence of these private members' bills that the government of the day in 1966 referred this subject to a Special Joint Committee of the Senate and House of Commons which was then established with the minister as co-chairman. Although I was not in this place at that time, I read these bills with a great deal of interest. I read with interest the bill of the hon. member for Essex South. I understand that this was one of the important planks in his election campaign during that year.

I think of the bill presented to this House by the honourable and distinguished member for Spadina (Mr. Ryan) in the same year when he came here as an eager and enthusiastic supporter of the Liberal government. I think also of the bill presented by my colleague in the New Democratic Party, the hon. member for Timiskaming (Mr. Peters). These are three bills which come to my mind, but I believe there were a half dozen at that time dealing with this subject. All these bills were referred to the Special Joint Committee on Consumer Credit when the minister was co-chairman of that committee. I find it strange that the minister did not give any

credit to these hon. members for their interest in the consumer market before the government showed any interest.

But, Mr. Speaker, this brings up the whole subject of private members' bills and their future in Parliament. I believe it is about time, in setting up its rules, the House of Commons took a long hard look at the matter of private members' bills and the rules that govern them as well as the frustration of a private member, such as the then member for Essex South, who, in compliance with a promise to his electorate, introduced a private member's bill to do the very thing the minister is now doing. He found, however, his enthusiasm was dampened by the whip who mustered up all the government backbenchers he could get to talk out that particular bill. That is a deplorable practice, Mr. Speaker, which has evolved in this House and is one which I think should be changed.

Some hon. Members: Hear, hear!

Mr. McGrath: If the bill of the hon. member for Essex South, the bill of the hon. member for Timiskaming or the bill of the hon. member for Spadina had been accepted, we would have had this legislation on the books at least six years ago. So, as I say, we should end the practice of talking out private members' bills. I say we should do this because I think it is a practice which is not in keeping with present-day Parliament and what the people of Canada expect from their Members of Parliament. The government may expect us to merely rubber stamp everything it chooses to bring in, but governments are not infallible. This government certainly is not infallible. This government probably will find that its most serious error in judgment is its failure to recognize the rights of Members of Parliament to contribute to the laws of this country by bringing in private members' bills.

Mr. Gibson: It is getting better.

Mr. McGrath: The hon. member who interjects from his seat is probably one of the members who has been thoroughly hurt by this practice and probably, as a consequence of being hurt, has become a little cynical. This is a great pity, because I know the hon. member for Hamilton-Wentworth (Mr. Gibson) came here with good intentions and full of enthusiasm. Certainly, he did not expect his own party to sabotage all his efforts to make a contribution in this House and to the laws of the country.

[Mr. McGrath.]

Some hon. Members: Hear, hear!

Mr. McGrath: This is also a great pity because I am sure if the government would allow the hon. member for Hamilton-Wentworth to do so he would probably make quite a considerable contribution; but with this government he will never have that opportunity.

• (12:50 p.m.)

The minister referred to the report of the committee of which he was co-chairman, the committee on consumer credit. This should be his Bible. Perhaps when it is convenient he quotes from it, as he has done today. But on other occasions I am sure that this document must come back to haunt him. However, in using the recommendations of this committee as his terms of reference for introducing this amendment, the minister forgets to tell us why it took three years to carry out this unanimous recommendation of the committee.

Now, Mr. Speaker, the minister did not get the mantle immediately upon the establishment of this department, although he thought he would. He had to wait on the bleachers for a while. On looking through the records I find that during the course of the discussion of the legislation setting up the Department the minister's predecessor, who now holds the portfolio of Minister of Justice, said that the government already had many pieces of legislation in the hopper, waiting to present to parliament, and all in the area of consumer protection. Mr. Speaker, we have not seen them.

First of all, the then minister had to take some considerable time setting up the department under the new act. But notwithstanding the fact that he then referred to the presence of galling injustices against consumers, injustices so prevalent across the nation that they required immediate attention, it has taken all this time to bring in these amendments.

Mr. Pepin: Now, now.

Mr. McGrath: The Minister of Industry, Trade and Commerce (Mr. Pepin) could more usefully consume his time by going out and selling some of our surplus wheat.

Mr. Pepin: Then, you would accuse me of not being present in the House.

Mr. McGrath: If the minister has the wheat situation in hand he could take a look at the Grand Banks of Newfoundland where there are loads of fish waiting to be sold.

Mr. Pepin: They are selling very well.

Mr. McGrath: Another recommendation which the Minister of Consumer and Corporate Affairs may rediscover one of these days deals with another injustice which the minister knows about, and upon which the committee heard evidence. It concerns the provision of low interest loans to families on low income, and it might be worth while to quote this particular recommendation. It is recommendation No. 3 and appears at page 4 of the report:

> In order to prevent low-income families from becoming mired in debts from which they can never hope to extricate themselves, we recommend that the federal government make available, through the regular banking system, guaranteed consumer loans under specified conditions to all with annual family incomes of $4,000 or less. The loans would be repayable over an extended period, and would bear a low rate of interest. They would be made only for provident and productive purposes related to the preservation of home and family. The maximum size of such a loan would be $1,500.

That is a very good recommendation. We are wondering when the minister will get around to convincing his cabinet colleagues to implement it.

The recommendation on which the amendment before us is based, is No. 6. But, Mr. Speaker, there is another recommendation which I think the House would be interested in noting. It is one dealing with the practice known as captive sales financing, and I think the record should show what the committee recommended in this regard. It is recommendation No. 5, and I quote:

> We are concerned about the practice known as "captive sales financing," which is common in the merchandising of consumer durable goods, particularly in the sale of motor cars. Parliament has expressed, in the Combines Investigation Act, its desire to encourage the regulation of industry by free competition. However, the act does not at present apply generally in respect of service industries. The committee recommends that the scope of the legislation be enlarged, so as to ensure that such free competition will obtain, at least in the sales finance industry, by providing for the regulation of the so-called "captive sales financing"; that is, of the operations in that field of manufacturers, distributors, dealers and others not principally engaged in sales finance.

That is an excellent recommendation. I am sure the minister is prepared to endorse it today, and hopefully he will tell us why the government has not seen fit to carry it out, because abuses across the country are prevalent. As a consumer, why should I be obliged, because I buy a car from a dealer of one of the big three, to go to a finance company owned by the same automobile company?

Mr. Basford: You should not.

Mr. McGrath: Of course, I should not be, but why does the minister not bring in legislation to do something about it? Why shouldn't I, as a consumer, have the right to go and make the best financing deal I can make?

Mr. Basford: You should.

Mr. McGrath: Such a provision would not weaken the sales finance industry; it would strengthen it. The sales finance industry, if it continues with this particular type of abuse against the rights of consumers, should be regulated according to the provisions of recommendation No. 5.

There are other recommendations in this report to which I would like to refer. Again, I would recommend that members of the House read this very interesting bible, this very interesting document, which in many ways could be called the bill of rights of the consumers of this country. If one reads it one suddenly realizes that the interests of the minister, when he was chairman of the committee, were totally different from the interests he now displays as a minister of the Crown. May I call it one o'clock, Mr. Speaker.

Mr. Lundrigan: On a question of privilege before the House adjourns, Mr. Speaker. I did not want to do this formally during the last hour, but now I want to draw Your Honour's attention to a situation which shows the very serious direction in which this House is heading. I did not draw attention to it earlier in order that the House might not rise in the middle of this important debate, but I wish to point out that there have been as few as nine members present in the chamber during the last hour, and most of that time there were only 12 members present—

Mr. Deputy Speaker: Order. I would point out that this is not a question of privilege. At any time during our proceedings the hon. member was at liberty to draw my attention to the lack of a quorum of the House. It being one o'clock, I do now leave the Chair until two o'clock p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. McGrath: The minister made reference during his speech to the fact that the effectiveness of this legislation would be dependent to

a large extent on action being taken by the provinces to bring in complementary legislation to deal with their area of jurisdiction. Under the constitutional provision concerning property and civil rights, they would have the jurisdiction over sales contracts and so on. This points up what we believe to be one of the major weaknesses of the minister's department, namely, the areas of constitutional conflict. In order for the minister to be totally effective in the area of consumer protection, it would be necessary for him to have powers that one could only have in a unitary state. But we do not live in a unitary state. Under our federal system and under our constitution, our provinces also have rights and responsibilities.

This amendment certainly is not something new; it has been talked about at least since 1963 and has been considered at least since 1967 when the joint committee made it's report. We are wondering if the Minister would take some initiative to get agreement from the provinces to bring in the necessary complementary legislation to make the amendments to this particular federal statute, the Bills of Exchange Act, totally effective. For example, we would have expected that the minister would come to the House, during the course of the second reading of this bill, and tell us that he had obtained agreement from the provinces or, at the very least, that he had had consultations with the provincial governments and could tell us what hope there would be for obtaining some type of agreement with the provinces to bring in the necessary provincial legislation. But apparently that is not the case because the minister made no reference to it.

Mr. Basford: I did so.

Mr. McGrath: But the minister did not indicate that agreement had been reached. He merely expressed what I would call a pious hope that once the amendments before the House were passed the provinces would act. I do not think that is good enough.

One other thing about the legislation that disturbs us is the fact that before the amendments can go into force they would first of all have to be proclaimed in the *Canada Gazette*, and there is no indication when the proclamation will take place. We feel the House is entitled to know when the legislation is to be effective. For example, the Bankruptcy Act, for which the minister is responsible, contains a provision similar in nature to the amendment to the Bills of Exchange Act we are now considering. The Bankruptcy Act

[Mr. McGrath.]

Amendment was passed in 1966 and is in the Statutes of Canada, 1966-67, chapter 32. Section 22 was amended, and it was a very important amendment. It provided for the orderly repayment of debts and made provision to protect consumers from the hazards of bankruptcy and all that go with it.

My point in bringing this out is the fact that this legislation has not been proclaimed to date.

Mr. Basford: It has.

Mr. McGrath: I was under the impression that it had not, but the minister corrects me. However, certainly the necessary concomitant proclamations have not taken place in the provinces.

Mr. Basford: I value the hon. member's comments very highly, and if I might just explain the situation with his permission, I believe his intervention will be even more valuable. Part X of the Bankruptcy Act is only proclaimed in those provinces which request it. It has been proclaimed in Manitoba, Saskatchewan, Alberta and Nova Scotia. The other provinces have not requested its proclamation.

• (2:10 p.m.)

Mr. McGrath: Mr. Speaker, I am glad the minister has set the record straight because he has bolstered my argument which questions the effectiveness of the legislation before us. The amendments to the Bankruptcy Act, passed by Parliament in 1966 and now included in the statute books, are only effective in four of the ten provinces. That means that Canadians in the other six provinces do not enjoy the protection Parliament meant all Canadians to have when it passed this particular amendment to the Bankruptcy Act providing for the orderly repayment of debts in the case of people who find themselves facing the rather unpleasant consequences of bankruptcy.

The same argument could be applied with the same force to this legislation, because the act will not come into effect until it is proclaimed. In addition, there is a jurisdictional problem. For this legislation to be totally effective, and we want it to be because everyone in this house is interested in protecting the rights of consumers, especially those consumers in the lower income brackets who are usually preyed upon by those unscrupulous operators, complementary legislation must be introduced by the provinces; otherwise,

Canadians will not enjoy the full protection of the legislation. We should like to hear the minister's assurance that the government intends to bring this legislation into force and that the act will be proclaimed.

In conclusion, sir, the minister said this legislation will protect consumers from unscrupulous operators who would prey on them. These operators usually take the form of door-to-door solicitors who prey upon unsuspecting housewives in the lower income brackets, generally speaking, or upon old age pensioners and those who really cannot protect themselves because of educational handicaps or other circumstances beyond their control. The minister referred to an incident involving a lightning rod salesman. We must protect our people from these successors of the lightning rod salesman, the peddlers of magazines, encyclopedias, roofing, aluminum windows and roof repair jobs—in short, the peddlers of those things which can be bought legitimately on the open market at competitive prices. We know the consequences of some of those promotions. Hon. members and the minister may remember the knitting machine operation which swept through Ottawa in 1968 and affected some 300 innocent consumers. If the minister does not remember it, I will send the necessary materials over and remind him.

I will not take up the time of the House in going over the details now. It is from such operators as these that our consumers must be protected. In that regard, we hope this legislation will be effective. We hope the minister will explain to the House why he is not prepared immediately to implement the amendments to the act before Parliament upon their passage through the House and the other place. I think the House deserves to know when the government proposes to proclaim the legislation, because the need for it is greater now than it was in 1967 when the minister, in his capacity as co-chairman of the joint committee on consumer credit, brought in the recommendation in the first instance. We hope it will not take another three years before the legislation is implemented.

Mr. Max Saltsman (Waterloo): Mr. Speaker, there is always a temptation when a long overdue measure is introduced to praise the minister for bringing it forward. However, I will try to resist that temptation and control myself.

An hon. Member: Better call a doctor.

Mr. Saltsman: I say that particularly because of the long time we have waited for this measure. My colleague, the hon. member for Timiskaming (Mr. Peters), has been waiting for seven years for a measure such as this to come before the House. He tells me he has no ill feelings because the minister has stolen his private members' bill. He only regrets that the minister did not do this earlier.

This bill perhaps should be subtitled, "The mills of the Liberals grind slowly bill", or, "The what-took-you-so-long bill". Although the minister in his opening remarks pointed out the obvious merits of the bill, and I gather it has unanimous support from all parties and members, it is really remarkable that the government should have delayed from year to year the introduction of this rather straightforward and welcome change. The minister's position merely points out how long it takes to get anything done here. Our young people today criticize Parliament for its slowness. They contend that Parliament takes too long to act even when it is conceded that the people will derive benefit from what is to be done. In this instance, Parliament is not to be blamed. It is the government that has taken so long to act.

Something else has emerged from the minister's remarks. The federal government's initiative in the field of consumer credit or other fields has a great effect in the country. The minister said that if all the provinces do not go along with this legislation, it will not be completely effective. I think the provinces would be very foolish not to support this measure which has such obvious merit. Now that the federal government has taken the lead, I hope the provinces will follow it. One or two provinces may not follow the federal lead, but that will not diminish the importance of federal leadership in this field. Those provinces have the right to dissent, and their elected representatives will ultimately answer to their people in an election.

I had the privilege of serving on the committee of which the present Minister of Consumer and Corporate Affairs was the very able co-chairman. Probably it was one of the best committees the House of Commons established. It did very valuable work and prepared a report, part of which has been implemented. The other part has not been. It is regrettable that the co-chairman, the present minister, who played such an important part in the work of the committee should be so reluctant to implement some of the fundamental aspects of that report. Because, Mr.

Speaker, valuable as the present amendments are, they are only a very small step. The minister himself acknowledged that we should be wrong in thinking any dramatic changes will take place as a result of this legislation. It is a necessary but very small step and does not really deal with some of the fundamental problems relating to consumer credit.

• (2:20 p.m.)

The most important aspect of the report in my view, and I think my view was shared by most of the committee, was the aspect dealing with the granting of federal loans to help poor people. The minister is on record and has indicated his concern about the position of poor people who try to borrow money. Federal loans for them are absolutely essential. This seems such an obvious move to make in dealing with one problem of consumer lending, that I find it difficult to understand why the government does not move as the report recommended. This is one area in which the government does not have to seek approval from the provinces. The government can act on its own through the Bank of Canada and through that agency to the chartered banks. The committee recommended that banks in Canada be asked to provide consumer loans at low interest rates up to a certain amount for those people who would otherwise have to use the finance companies or receive no credit. Because of the somewhat higher risk that might attend such loans, it was recommended that some guarantee be given by the federal government. There is nothing in the constitution to prevent the minister from taking this most needed step. What is holding it up? I hope at some time when the minister is before the committee he will have something to say on this matter.

Too often in the past, and to some extent now, we have had a tendency in our society to follow pioneer traditions and pioneer morality with respect to consumer credit. It was felt that people who borrowed were not as good as those who did not. This seemed to be the attitude. The time has come to stop moralizing this issue. The truth of the matter is, whether we like it or not, that we have to live with consumer credit. If we are going to accept the role of consumer credit in our society, we should ask ourselves how we can provide this credit in a fair and equitable way. That certainly is not the case now.

The businessmen have a saying that if you have the money, the bank will give you the money. This, to a large extent, is one of the problems with consumer credit in our society. There are other problems, but you are more likely to receive credit if you do not need it very badly. We have discussed the difficulties that can be encountered by people who are given credit. This serious problem could be dealt with by the recommendation made in the consumer credit report of 1967. We must look beyond that to see what happens. There is a tendency for people to think that only the poor are being subsidized when in fact the middle class in our society receive larger subsidies in many ways, although they do not always acknowledge this.

Credit is available in our society. However, in many cases it is only available to those who are somewhat better off. They may need the credit, but their condition is not all that serious. Those people, born with a lot of drive and the ability to absorb what is provided by our educational system, with the advantages of environment depending on which side of the tracks they were born, in what city or part of the country, are able to progress very well in our society. Those who are not born with these advantages cannot be held responsible for the fact that the liberal society, the open society, does not provide them with an opportunity to do well. They simply cannot run that kind of race for one reason or another. To them, the liberal society is a fraud. The situation is similar to telling people to run in a race where the contestants are unequal or possess different qualifications.

If you are born with the kind of attributes that enable you to attend university, you may take advantage of some very effective subsidies. The largest part of the cost of a university education is not paid for by the fees of those who attend. It is paid out of the public purse. If you are in the position where you either have some income or have been left some income to purchase a farm, there are farm credit corporations from which you can obtain additional credit. This is true in business and in other areas. However, if you are poor and do not possess the skills and the special energy it takes to get ahead in this society, along with a bit of ruthlessness, there is nowhere you can go. The avenues of credit are closed to you. Even if they are open to you, you are immediately placed in a different situation. You are not able to repay the money you borrowed because of the high rates of interest or because your income is not great enough.

I recently spoke at a consumer conference sponsored by the consumer finance companies

of North America. I guess they wanted a token socialist! I had a very interesting meeting with some of the groups. I got the feeling that the bad boys, as the consumer industry is sometimes labelled, wanted to change to be more in harmony with the needs and aspirations of our society. I am glad to see that some of these changes are coming about. I would not be surprised if one of the reasons they are somewhat more attractive today than when they appeared before our committee in 1966 and 1967 is the indication by the government that if it has to act, it will. Unfortunately, it acts too slowly. However, it is quite obvious now that the power to act is with the government.

The business oriented attitudes exist and survive only because the government, as a representative of the people, wishes them to do so. If the people of this country, acting through their government, wish it to be otherwise, it is quite obvious where the power lies. The government can act to change things. This realization is not only taking place in the consumer credit industry, but in other industries as well. In my opinion, it is having a very good effect. The people in the industry know that in the long run their survival depends on being able to make a case to the public. They must be able to justify their existence in terms of the social benefits or services they provide to society. They realize that profit alone cannot be the sole criterion for the retention of their place in society. They must go beyond that.

I suggested at that meeting that we should be thinking in terms of providing a fixed sum of credit. I used the arbitrary figure of $25,000, but that does not necessarily have to be the figure. A line of credit does not come automatically to a person. It may be drawn against for various reasons. Since this is a credit-oriented society, we might as well take a somewhat more intelligent and imaginative view of the problem than we have done in the past. Each person in our society should have a line of credit on which he can draw. Those who cannot take advantage of the so-called middle class benefits of recreation, attending university and other advantages, will be able to use this drawing right. It could be used for purchasing a home or furniture, starting up a business of their own, or for a number of other things which will contribute to the happiness of their family and perhaps the matter of their life. This seems to me a more rational way of considering credit. There is precedent. I can recall, as an airman coming back from the war in 1945, that there were all kinds of opportunities open to us. Canada was good to its returned soldiers. We could use the credit we had built up during our overseas service to go into business, or we could use it to go to a university. Many people got their education as a result of benefits made available through arrangements of this kind. Others took advantage of the Veterans Land Act to build homes for themselves. The options were available to us.

• (2:30 p.m.)

I believe an extension of this idea is needed so that it would apply to everyone in our society. As things are, some people can get credit much more easily than others. There is a tendency to think along these lines—that if a person shows an aptitude to go on to a higher education, the country will support him in an almost unlimited way. But the same thinking applies, to some extent, to farmers and businessmen. But there is nothing for the people who most desperately need aid in this country, the poor and the underprivileged. This seems to be a defect in our system.

For my part I would prefer to see lines of credit extended to people in our society than the introduction of a guaranteed annual income. There is a place for a guaranteed income, of course—for those who are unable to work or unable for one reason or another to take advantage of the opportunities which may arise—but I think it would be far preferable to give people an opportunity to help themselves. This could be done by making lines of credit available. Instead of subsidizing housing, for example, why do we not simply allow a person to draw the amount of money he needs to purchase a home? There would probably have to be some element of subsidization involved but I think it would be better to subsidize at that point. Such a program does not rule out other reforms which are of importance in our society, but I do believe we have an opportunity of helping people who do not normally have a line of credit upon which they can draw. If credit were made available to them they would not be obliged to make use of it all. They could use a portion of it, and show their ability to handle it. If we were to provide credit facilities for those who need them badly and are unable to obtain them we would really be doing something significant in the way of a consumer credit program.

I am glad we have finally got around to implementing a policy which obviously should

have been implemented many years ago. As usual we are about 20 years behind. I hope this measure will get speedy passage through the committee and that other issues connected with consumer credit will not take as long to resolve.

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, I believe this measure goes a long way toward correcting many of the abuses which have taken place in the area covered by the legislation. For many years, now, there has been evidence of serious problems encountered particularly by those in low income groups in connection with the signing of promissory notes and contracts. In some cases the goods were not delivered, or were delivered too late, or were found to be defective. Then, the finance companies moved in like vultures to collect the amounts due on the notes and contracts.

I would call the attention of hon. members to the reference to section 190 in clause 2 of the bill:

> Every one who, knowing that an instrument, other than an instrument described in paragraph (c) or (d) of subsection (1) of section 189, has been, is being or is to be issued in respect of a consumer purchase, obtains the signature of the purchaser or of any one signing to accommodate the purchaser to such instrument without its being or having been marked as required by section 190 is guilty of
>
> (a) an offence and liable on summary conviction to a fine not exceeding one thousand dollars; or
>
> (b) an indictable offence and liable to a fine not exceeding five thousand dollars.

That provision enforcing the consumer credit aspect of these notes is most praiseworthy, in my opinion, and it will add a great deal of uniformity to the law on sales throughout Canada, particularly sales of such goods as refrigerators, automobiles and other consumer goods sold today on a time basis.

The hon. member for St. John's East (Mr. McGrath) said the government had delayed taking action. Mr. Speaker, over the last three or four years there have been several conferences between the provinces to try to speed up the laws in their provinces relating to conditional sales and I am advised the provinces have come close to an agreement with regard to the standardization of many of their requirements. In the meantime, the time has come for Parliament to move on to clean up this aspect of our statutes and I hope the action taken will prove most beneficial to the Canadian people.

Mr. Ambrose Hubert Peddle (Grand Falls-White-Bay-Labrador): Mr. Speaker, the news release from the minister's department respecting Bill C-208 is headed "Bills of Exchange Act—Amendment to Aid Victimized Consumers." The amendment is designed to stop abuses of promissory notes by unscrupulous or irresponsible sellers. At the moment, I am neither a seller, responsible or otherwise, nor am I a consumer; I suppose I am a consumer, but I do not regard myself as one who has been victimized.

Having had considerable experience in the appliance sales field for a number of years—ten or a dozen years—I can say that I wrote thousands of consumer sales contracts. I am not now associated in any way with that kind of business or with any finance company. Neither do I presume to be the champion of finance companies, as the minister presumes to be the champion of the consumer. That is not my point at all. But I do feel that in a responsible Parliament we cannot have certain images created—perhaps not deliberately created—without somebody saying something about it.

• (2:40 p.m.)

First of all, let me say I have written thousands of contracts. I come from the province of Newfoundland, and according to the current rash of Newfie jokes we are not supposed to be the most understanding people in the world. But I have yet to remember a purchaser coming back to my dealership and saying that he did not know that his purchase was financed through a finance company. I say that with honesty, and I have a good memory for such things. I remember the first appliance that I sold 15 years ago, and I could name almost every one sold subsequent to that, so the House can see that I know what I am talking about. I cannot remember one single person coming back to me and saying he did not know he had purchased one of these appliances through a finance company.

In his statement this morning the minister said that one of the most flagrant abuses was non-delivery, and I should like to comment on that. Before the noon adjournment I checked, to confirm my own memory, with one of the prominent finance companies that take non-recourse paper, and they confirmed that 98 per cent of the deals that they accept acknowledge delivery of the merchandise by telephone before they issue the cheque to the dealer. The real point that I want to make is that the relatively new Department of Consumer and Corporate Affairs is one of the most necessary departments of which I know.

I attach prime importance to it, more so than any other department of government. But when we see headlines dealing with amendments to bills of exchange acts to "aid the victimized consumer", and "Basford steps up war on false ads", and so on, then in view of the wide scope of the minister's department I can only describe this sort of thing as nit-picking.

From what I have seen of the operations of this department so far, the real abuses against the consumer have not yet been recognized, and I do not know the reason for this.

Mr. Basford: The provinces have the jurisdiction.

Mr. Peddle: I am not making a political speech. I realize there are a heck of a lot more consumers than there are dealers and finance companies. Perhaps this is why this legislation might be of great appeal to consumers. But let us stop for a moment and wonder whether we are not being a little irresponsible so far as the minorities in this question are concerned.

Finance companies in this country are generally regarded as responsible business corporations. I think the big majority of dealers are regarded as responsible people. If, in making laws to cope with the occasional fly-by-night operator we are going to make every finance company that takes non-recourse paper become a service station, then I do not think we are being responsible. The business of a finance company is money, the same as the business of a car dealer is selling cars. If all the responsible finance companies in the country have to devote their office time to dealing with service problems, then I say it is a case of the tail wagging the horse and I do not agree with it.

I agree with the principle of this bill. I agree that the consumer needs protection against unscrupulous sellers. But for God's sake, let us put the onus where it belongs and tighten up the law regarding people who get licences to sell instead of turning the office of every finance company in the country into a service station. Perhaps we can provide better guarantees. Perhaps the law should provide that a merchant who sells a refrigerator should issue a more legally drawn guarantee. Let the buyer go to the dealer and, by taking legal action if necessary, work out his problem with him. But let us not inflict this sort of law on people in the money business, any more than we inflict the money business on people in the appliance business. Let us be fair about this.

I do not think the minister is naïve enough to think that he can legislate the old warning "*caveat emptor*" out of existence. If so, he has another think coming. Since human beings being what they are, *caveat emptor* will always be a very important warning for people to observe.

This is my only point, Mr. Speaker. I think this bill should be studied, and studied very carefully. As I say, I am not the champion of the finance companies. If I had been around on the day they were given legal licence to operate, I would probably have refused them the breath of life. But since they are legally in existence, let us not, for political purposes or otherwise, use them as a whipping boy.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I am very pleased to see this bill before us today and should like to make some brief comments on it.

It is not often one gets a chance to toot one's own horn, but I introduced a similar proposal in 1963 in response to an individual series of problems that had arisen in my own riding. Somebody said that northern Ontario is a very gullible market, that the people there can be sold almost anything. They are very trusting people and not used to shysters who come in from southern Ontario and take advantage of their trusting nature. I presume the same is true in Newfoundland and in other parts of the country.

My colleague from Toronto says, "Who are they?"

Mr. Lewis: I must correct the hon. member; he misheard me. I merely said I would get out of his way.

Mr. Peters: What prompted my interest in this matter in northern Ontario, though not in a financial way, was the knitting machine operation. There was nothing much wrong with the knitting machines, but it was a little like going to a circus where you see a man or a woman with a very small knife making all kinds of fancy doo-dads out of radishes, carrots and so on. This little device sells for about 25 cents, and the first thing that happens when your wife gets it home is that she cuts her finger. The knitting machines were somewhat in that class, but they carried another problem. The company selling the knitting machines said that it would also sell

the proper type of yarn to be used and that in return for the person buying the machine it would guarantee to take all the knitted products. If the person made 10 pairs of socks per week, the company would take that amount or as many as the person made.

• (2:50 p.m.)

The machine salesman immediately went back to Toronto. The finance company was one door down from his office. He transferred the promissory note to the finance company and as soon as the going became hot and heavy he went into bankruptcy. That was the end of that. The bankruptcy helped him in two ways. He did not have to pay the manufacturer for the machines which had been delivered and, secondly, he owned the finance company two doors down from his operation. Both were shysters and both went out of operation in a matter of months. There are names. I investigated them. I know some of the operations which changed hands five or six times without anything happening.

The minister is well aware of the inadequacy of the Bankruptcy Act of Canada. In passing this piece of legislation what we are really doing is stamping on the promissory note something to the effect that if a person buys this promissory note or piece of paper then he has the responsibility of the original contract. In other words, if the car was guaranteed for two months then the person who buys the promissory note will have to carry a guarantee for two months. The responsibility will be carried over. I know it is not quite that simple, but it means that a person can go to court and have redress against the purchaser of the promissory note. Then, there is the case which the minister mentioned this morning of a person buying $4,500 worth of building supplies, being taken to court and having to pay the $4,500 even though he did not receive the building supplies. He still has not received them and probably will not. So, this principle is very simple.

The Department of Justice of Canada, like many other departments, has people who get carried away with paper work. We have some of these people even in our parties. However, in the Department of Justice, the intention should be to produce in terms of effectiveness rather than in terms of volume. I notice that this bill is almost twice the size of the bill I produced which originated from an act that was passed in 1884, the original act for the prevention of fraud. The basis of the bill the minister is introducing is exactly the same as my bill with more verbiage.

An hon. Member: More input.

Mr. Peters: More input, yes, and not much more output. There is in this bill one particular clause which was not in the bill I introduced because I was interested in the transferring of promissory notes. The minister has introduced a new proposition which I am certainly prepared to support because I believe it is an excellent idea. I did not include it because I did not think of it.

The minister has introduced the additional provision concerning post-dated cheques and the closeness of association there may be between trust companies and others who issue pseudo-cheques and who are involved in the post-dating of cheques. This I believe is valuable because the shysters who are involved in this field will obviously go through this legislation with a fine tooth comb. They will hire the best possible lawyers in this field whose only job will be to find a loophole.

The one point I should like to leave with Members of Parliament who have a direct relationship with their constituents is something with which the officials of the Department of Justice and other departments often are not fully familiar. It seems to me that when a Member of Parliament has a good idea some consideration should be given to that idea. I congratulate the minister for having taken the action he has in this case, but I suggest to him that if he would look at the Order Paper he would find a number of bills containing significant recommendations. I do not believe any private member would disagree with me when I say that the ideas put forward in the form of private members' bills are perhaps in a rough form which could be improved upon, as I believe this piece of legislation has improved upon mine.

The Minister of Consumer and Corporate Affairs has said that he gets some of his ideas from Box 99. Let me tell you, Mr. Speaker that I hope these ideas are better than some of the ideas given to the minister from some of the civil servants. If the minister would deal with his own correspondence he would find that the problem of Mrs. Jones might contain a lot more useful information than the problems he finds in Box 99 to which one of his executive officials gives attention. I hope the government, in adopting this bill which was first introduced seven years ago in the form of private members' bills, will have the minister and some of his executives sit down and look at some of those private members'

bills. A number of these bills were considered by the committee of which the minister was joint chairman and I believe they led to this legislation. I believe this particular bill will affect the welfare and peace of mind of more Canadians than will much of the legislation which will be adopted in this Parliament. So, I suggest this is very worth-while and overdue legislation.

Mr. Deputy Speaker: Order. Is there a disposition on the part of hon. members that before the House proceeds to the consideration of the motion under Standing Order 26 the question be put?

Some hon. Members: Agreed.

Mr. McGrath: Mr. Speaker, I wonder whether the House would be disposed to give the minister a few minutes to reply to some of the arguments raised.

Some hon. Members: Agreed.

Mr. Basford: Thank you, very much. I am particularly grateful to the member for St. John's East (Mr. McGrath) for his suggestion. I should like to acknowledge particularly his very fine contribution to the debate which I thought to be a very well-prepared and thoughtful discussion of the issues raised by this bill. If, however, he is unable to resolve his difference of views with the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle), I would be delighted to mediate although I believe I would vote on the side of the hon. member for St. John's East who seemed to support the bill more forcefully than his colleague.

The hon. member for St. John's East has raised a number of points as have other speakers, namely, the recommendations made other than by the joint committee of the Senate and the House of Commons on consumer credit and consumer matters. All those recommendations are being considered by the department. The hon. member for St. John's East has referred to this as a sort of consumers' bible. That is the way I regard it also, Mr. Speaker. Being the author of the report, and referring to it as a bible, I do not know quite where that leaves me. However, unlike the premier from British Columbia, I do not claim to be plugged in to God.

• (3:00 p.m.)

Mr. Knowles (Winnipeg North Centre): Just to being another Moses.

Mr. Basford: But I do regard it as a bible. We are, for example, working on all the recommendations of that report regarding packaging and labelling and I am working on legislation which I hope to introduce shortly. We are reviewing the whole system of nomenclature of grades and standards, which is recommended in that report. We have before the House legislation dealing with the corporate disclosure of private companies of economic significance, which is recommended in the report. All of those recommendations are receiving very careful study by the department.

With regard to the matter of the captive sales finance companies, which the hon. member raised, I have indicated and made it very clear that we are, following the receipt of the report of the Economic Council of Canada, revising the Combines Act as quickly as we can. I have said publicly that I see no logical reason why services should be excluded from the application of a revised Combines Act.

With regard to discussions with provincial governments, a point which a number of hon. members raised, I did indicate that this matter has been discussed at a federal-provincial meeting of officials of the Department of Consumer and Corporate Affairs and also a federal-provincial meeting of ministers of consumer affairs. At that time I undertook to introduce this legislation, and subsequently have had indication from a number of provinces that they intend to take the complementary action that is really required with this legislation. They, of course, must be left to state their own position. I cannot state it for them. But I am assured in very firm terms that a number of provinces will. I think it would have been a mistake, however, as seemed to be the hon. member's suggestion, that I should have waited until I had agreement from all ten provinces before acting. I think we have assurances from some that they will act, and we will proceed.

With regard to part X of the Bankruptcy Act, it is being revised, and I will have an important announcement to make on this matter, hopefully next week.

The matters raised by hon. members are very much on our mind, and I hope the announcement I have to make next week will clear up many of the difficulties.

With regard to proclamation of the bill, we hope that it will be proclaimed immediately

following royal assent. Of course I have no control over how quickly the bill will go through Parliament.

I want to thank hon. members for their contribution and for their support of this bill which causes a fundamental revision or change in some aspects of our consumer credit laws, and I hope that the support that was indicated today will assure a speedy passage of the bill through the Standing Committee on Justice and Legal Affairs.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

MOTION TO ADJOURN UNDER S.O. 26

EXTERNAL AFFAIRS

CAMBODIA—INVASION BY UNITED STATES AND SOUTH VIET NAM ARMED FORCES

Mr. David Lewis (York South) moved:

That this House do now adjourn.

He said: Mr. Speaker, some years ago the American Professor Hans J. Morgenthau made the following statement in the opening words of an article on Viet Nam:

It illuminates the many misunderstandings that beset our Viet Nam policy that in order to criticize that policy in public one has first to justify one's right to do so.

This seems also to be the case in this House, judging from some of the reactions of some of the hon. members to my party's position on this matter. I want to make it clear from the outset that I do not intend to apologize for our position. We are and have always been opposed to the U.S. war in Viet Nam.

Some hon. Members: Hear, hear.

Mr. Lewis: We believe and we have always believed that the U.S. forces had no right to go there in the first place, that it is a war which is legally and morally indefensible, that it is a war which has helped the spread of Communism in Asia, that it has achieved nothing either for the United States or for the world, whilst devastating an entire people.

It is said that because we are friends with the United States and because of our special relations with that country we ought to be soft in what we say about any policy of the U.S. administration. In my opinion the opposite is the case. It is precisely because we have special relations of friendship and association with the U.S.A. and because we have such things as the defence sharing agreement with them under which we produce at least some of the armament which is used in Viet Nam, that we have a special responsibility to watch the developing situation and to speak out about it without hesitation and without using weasel words.

Some hon. members keep chiding us of the New Democratic Party that we do not condemn the North Vietnamese, China or the Soviet Union. Anyone who says that is quite wrong. We do. We have no illusions—and I have looked up a speech on the subject of Viet Nam which I made in 1966 and in which I said exactly the same thing, and so has my leader on many occasions—about the long range policies and objectives of world communism. We are agreed that there is need to find proper, effective and peaceful means to counteract the possible appeal of the communists to the hungry and desperate peoples of the underdeveloped world.

But we do not agree that the U.S. policy has served this purpose. On the contrary, I am convinced that the U.S. war in Viet Nam has been a magnet to Communism throughout that area. I agree with what Senator Fulbright said in a recent article in the *New Republic* of April 18, and I will quote this important passage.

He said:

They cannot—

The Communists.

—drive us out of Indo-China, but they can force upon us the choice of either plunging in altogether or getting out altogether.

It is this choice that the Nixon Administration has thus far refused to make.

He might have added "the Johnson administration before it".

"Myth" is a mild word for madness on so grand a scale. Not only has the rationale for Viet Nam proved unfounded; it has shown itself to be disastrously mistaken. Instead of deterring Communist intervention in Southeast Asia, American military involvement has turned out to be a powerful magnet for it.

I think Senator Fulbright is right in every word that he stated in that short article. It is for this reason, precisely because in our view the American policy assists Communism in the underdeveloped world, that, in addition to our opposition to the war on general principles, we believe Canada must speak out against the recent action.

I also agree with the obvious validity of a statement in the New York *Times* editorial of last Monday where the following statement was made:

> Military victory in Indo-China has always been a mirage, receding as rapidly as it is pursued. Lyndon Johnson learned that to his sorrow, and it inconceivable that President Nixon would set off at this late date on a similar chase.

It may have been inconceivable to the editorial writer of the New York *Times* but it is now a fact that that is precisely the course on which the American administration has embarked in Southeast Asia. May I remind the House that when this editorial was written the New York *Times* was dealing merely with the suggestion that America ship arms to Cambodia. Now, we are faced with an actual invasion of that country. Yet, the President of the U.S. has gone to dangerous extremes through the action of his forces. He has entered on a massive escalation of the war, the end of which cannot be foreseen. He threatens the peace of the world by that action, and it is important that this parliament and this government say so in no uncertain terms.

• (3:10 p.m.)

The fact is that in the present situation the same thing has happened as in the past, except that it happened in a matter of days rather than months. Hon. members will recall that there were originally a few hundred United States military advisers in South Viet Nam. Their numbers were later increased by President Kennedy to 15,000. Then a small army was sent to do the actual fighting. In the debate in 1966, to which I referred, it was reported that, in 1966, there were about 200,000 American soldiers, airmen and marines there. Now, we are speaking of between 400,000 and 500,000 troops despite recent withdrawals. In the present case we heard on April 28, a few days ago, reports that the United States had supplied communications equipment to the South Vietnamese for their entry into Cambodia. We heard on April 30 the reports of advisers and the engagement of United States aircraft; and on May 1 we heard of United States ground troops being in Cambodia.

This action, Mr. Speaker, has produced an outcry of dismay and opposition in the United States Senate and House of Representatives. Those in this chamber who accuse members of the New Democratic Party of all sorts of things because of our outcry, dismay and opposition at this action had better remember that almost unanimously the foreign relations committee of the United States Senate has condemned the action of the president and that there are millions of people in the United States of America who are dismayed and opposed to what the president announced last night.

Some hon. Members: Hear, hear.

Mr. Lewis: I suggest, Mr. Speaker, that it will be of great assistance to those millions of Americans and to people of the world opposed to this immoral war if we as a neighbour and friend of the powerful nation to the south of us have the wisdom and courage to join with those voices that are opposed to this policy. United States Senator Frank Church is reported to have said, "This is just a first step of a new set of obligations. It can only lead to a deeper mess and to the borders of China." It is this kind of wisdom that we ought to express through the mouths of our minister and Prime Minister (Mr. Trudeau). This is not merely an action confined to Cambodia; it threatens the peace of the world, because the war is being escalated.

Let us be clear about one point. In the case of the American intrusion into South Viet Nam, the administration peddled the myth, and it was a myth, that the United States was invited by the government of South Viet Nam. That was the government which the United States administration had set up in South Viet Nam and it was therefore a self-induced invitation. But the government of Cambodia, a government which it is suspected United States authorities were instrumental in setting up, had not the slightest knowledge of American intentions or American action. According to reports I have received, General Lon Nol, the Prime Minister of Cambodia, had no advance warning of the action; that he had just heard of the operation through the press; and that he knew nothing of the American strike until informed by the U.S. Chargé d'Affaires, Lloyd M. Rives, after President Nixon's speech. Please note, Mr. Speaker, that here is a country which has been invaded by the most powerful nation in the world; and not only did it not ask for the American action, but it was not informed about it until President Nixon announced it last night over the radio and television to the American people and the people of the world.

There is no excuse for what the Americans have done now. There is no possible suggestion that they were invited by Cambodia. I say without any qualification that the Ameri-

can action is a straight invasion of Cambodian territory without any information having been given to the government or people of that country.

Some hon. Members: Hear, hear.

Mr. Lewis: Of course it is true that the North Vietnamese and Viet Cong had been in some parts of Cambodia for five years, as the President said last night.

An hon. Member: Even longer.

Mr. Lewis: And perhaps even longer. But this, I suggest to you, cannot excuse the United States action. It is no consolation to the world that President Nixon has decided to meet North Vietnamese duplicity by similar action on the part of United States. This is not the way in which peace can be sought in that area or anywhere else. I believe that Canada must speak out in this kind of situation. I hope that when the minister enters this debate he will say, not only as he said this morning that he regrets that the United States found it necessary to do what it did but, that on behalf of Canada he deplores the action, that he considers the action dangerous and that it is not helpful to the search for peace in our troubled and anxious world. Nothing less from this government in my view can satisfy the present situation.

I simply cannot accept the explanation of the President of the United States. He talked about the need for his country to show itself strong, about his fear of humiliation and about the need for the United States not to be a helpless giant. Indeed, in his foreign policy report to Congress of February 18 last, the President stated this significant sentence: "When it comes to maintaining peace, prestige is not an empty word."

What are we dealing with, Mr. Speaker? Are we dealing with national prestige, or with the fate of the world? Is it important for the world that President Nixon maintain his own prestige, or is it important for the world that the war in Viet Nam come to an end?

Some hon. Members: Hear, hear.

Mr. Lewis: All these statements underline the role which the United States has been trying to play in the world, wrongly, for some time. No one nominated the United States of America as the policeman of the world, and in an international community no one should try to act in that capacity.

It seems to me that the action of the United States and the explanation President Nixon tried to give last night indicate a complete reversal of the alleged search by the United States for peace and the intention to withdraw American troops. I suggest that it is difficult for anyone who looks at the situation objectively to believe in the good faith of some of the words expressed. It is difficult to accept good faith when the President promises peace while escalating the war. Sure, there is not good faith with the Communists, either at the present Paris negotiating table or anywhere else; but, I repeat, our answer cannot be to try to match Communist hypocrisy.

In our view, and in my view, the action of the United States yesterday and today has spread the war in Southeast Asia in a way which makes it impossible to see the end of the war. I suggest to you that some of the words that the President used indicate that it is the intention of the United States to retain a sizeable army in Southeast Asia, no matter what may come. The President said, you will recall, that he was taking this action in order to assure the lives of those who will remain in Viet Nam after the withdrawal of the 250,000 troops that he has so far promised to withdraw. I read into that a definite warning to the world, and it is with great sadness that I read the warning, that United States does not have any intention of withdrawing all its troops from Southeast Asia. I believe that to be a pre-condition for any kind of development in that part of the world.

• (3:20 p.m.)

I want to say to this House that there are some steps Canada might try to take. I do not know whether they would be entirely successful. We have suggested on a number of occasions that Canada should try to bring the matter of the new developments in Southeast Asia to the security council of the United Nations. I appreciate that we are not a member of the Security Council now, but we are a member of the United Nations and have every right to seek to have this subject put on the agenda of the Security Council.

I also appreciate that some of the major nations involved, such as China, North Viet Nam, and for that matter, South Viet Nam, are not members of the United Nations and therefore there are limits on what the United Nations might be able to do. In my submission this ought not stop us from trying to put it on the agenda of the only international organization available to mankind to save itself from complete destruction. At least it

would be the start of some kind of international discussion of the matter in the United Nations forum.

It may be possible that members of the United Nations could express their view on American policy. It may also be possible for members of the United Nations to influence the United States in its further pursuit of a disastrous and dangerous policy. Canada should try harder to get the Geneva conference back in order to seek a solution to the Southeast Asian problem. I do not deny that the minister is trying to do this. The present situation is so serious and dangerous that it is unforgivable for the government of Canada, or, indeed, the government of any other western country, to just sit and wait for developments to occur.

The situation is so serious and dangerous that the government of Canada must show a sense of urgency about the matter. The Canadian government must try every available avenue to try to get the various nations of the world together to seek a peaceful solution to the disastrous war in Southeast Asia. We must have the courage to speak out and, as I have said, continue the search without letup, indefatigably. Canada is in a good position to do these things precisely because of its special relationship with the United States.

Nothing less than the future peace of the world, and nothing less than the credibility of the democratic world to the rest of the world, is involved in this terrible action which the president of the United States announced last night. I urge the government to deal with the matter as seriously as the matter deserves.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, one of the most difficult things to do today is to get a decent perspective on the situation that confronts us. War is not only hell, but it does more than any other human phenomenon to confuse the logical and rational sense of most of us. Emotional responses are, of course, to be expected. I do not like war. I do not happen to like violence in any of its forms. I believe that killing and torture are the antithesis of everything that we call civilized, but war or wars will not be solved by emotion.

Wars of national liberation, national pride or national survival will not be ended by emotional responses. I think it is the height of folly, perhaps one of the worst aspects of human pride, to allow ourselves to approach this problem either on the basis of our intense dislike for Communist states in all their forms or on an emotional reaction that American involvement seems to stir up in some circles in that country.

Anti-Americanism simply will not do as the basis of Canadian reaction to the Cambodian crisis.

Some hon. Members: Hear, hear!

Mr. Stanfield: In this instance, anti-Americanism is equivalent to total irresponsibility and abandonment of meaningful and useful Canadian initiatives. Personally, I have great sympathy for the terrible predicament of the American people in Southeast Asia. I believe the United States became involved in what it believed to be an honourable cause. I recognize that it is easy for us who are not involved to give advice. We are not involved in the agony. I assume that those in authority in the United States would love to be out of the whole thing if they could do so honourably.

We must also concern ourselves with the agony of the people who live in the area of conflict, Viet Nam, and now Cambodia. I approach this problem with deep feeling and with a considerable degree of humility. I indicated this morning that I believe the expansion of the present war is one of the worse possibilities we can imagine in terms of ending the unhappy conflict.

It may be that the generals and admirals who are reported to have counselled this move across the Cambodia border will prove to be right in military terms. It may be that the government of the United States will achieve its objectives in this way and bring a speedier end to the battle. However, I must confess my very grave doubts on that score in view of the history of this affair. United States generals and United States presidents have been wrong before in situations like this. I very much fear this is another example of the old saying that you can't be a little pregnant.

In all, the United States has been dragged deeper and deeper into this conflict, each time hoping that some measure would bring the terrible experience to an end. In giving the first indication of American involvement in Cambodia, the United States Assistant Secretary of Defence said that it was:

—a necessary and effective measure to save American and other free world lives and to strengthen the Vietnamization program.

We were all shocked by this development. As has already been indicated, in the United States there may be a considerable degree of

condemnation. The *Times* of London stated yesterday in its lead editorial and I quote:

> Has Mr. Nixon learnt no lessons from the way his two predecessors in the White House got involved in Viet Nam? ... In spite of all the warnings the military men seem to have won again. This was where President Kennedy came in eight years ago, always under pressure from the generals, always assured that victory was round the corner with that little bit extra of American commitment. But victory never did come and the machine ground on inexorably through all the suffering and the waste to the stalemate that finally unnerved President Johnson.

I mention this mainly because I believe the world is afraid that this type of military operation will escalate to the point of no return. While the newspaper headlines this morning were full of the Cambodian tragedy, at the same time there were reports from Peking of the Chinese jubilation over the launching of their satellite and nuclear accomplishments. I think the world has good reason to fear.

• (3:30 p.m.)

Perhaps we ought to remind ourselves of part of the history of southeast Asia; there are many ways of looking at the situation in these countries which now occupy the headlines. We were all appalled at the savage treatment of Viet Nam civilians in Cambodia recently, and we may have wondered what led up to this situation. The *Economist* of April 25 gives an account of the differences which have soured relations between Cambodia and Viet Nam long before the present crisis. Perhaps I might quote a paragraph from the *Economist* of that date:

> Educated Cambodians believe they have been the victims of Vietnamese expansionism for centuries. Even today they are thankful that the French saved them from what might have been permanent Vietnamese domination.

The article goes on to explain this at greater length.

Certainly, Cambodia is not Viet Nam. Although it lies next door, it is now, as it always has been, a country of a very different people. Those people are a nation which has learned to beware of invaders. And the ones they have for centuries feared most have been the Vietnamese. It is for that reason cold comfort, if any at all, that the main burden of the Cambodian incursion is being carried by Vietnamese rather than American forces. The Cambodians have been neutral in a very real sense. They have been anti-American, anti-Viet Cong, anti-Vietnamese and anti-Communist. In short, they have been simply pro-Cambodian. Now, they find themselves militarily threatened by virtually everybody.

[Mr. Stanfield.]

Although for five years North Vietnamese and Viet Cong troops have held substantial segments of Cambodian territory, that country did nothing. The former chief of state, Prince Sihanouk, did not try to prevent the use of his country by Communist troops. When the Communists became even greedier for control of Cambodian territory, Prince Sihanouk was overthrown. The new government decided to resist the Communists. South Viet Nam began making raids across the Cambodian border. Today, South Vietnamese troops are engaged in battle with Viet Cong forces in Cambodia. The Americans are helping. The North Vietnamese are also engaged in that same battle in a country which wants only to be neutral, to be left alone.

It is in these circumstances, recognizing the complexity of the situation, the tragic situation in which the American people find themselves, I realize the situation in Southeast Asia, that Iask the government, if it has started to intensify its work in Washington, Geneva, Paris, London, Moscow and Hanoi if possible. Our envoys and diplomats must call for an immediate and complete freeze on all military activity in Cambodia plus, of course, effective machinery to enforce this. North Viet Nam must be persuaded to recross the border and get out, as must the Viet Cong, the South Vietnamese and the Americans. Of course, there must be methods of enforcement if this is to have any meaning. The question is, of course, how to make them go. That is the major problem. I do not expect the Canadian government to make them all get out by itself. But is it even trying, Mr. Speaker? I suggest to the Secretary of State for External Affaires (Mr. Sharp) that we ought to go to New York and call for an emergency session of the Security Council of the United Nations. Surely, if ever there was a threat to world peace justifying Security Council action, this is it.

The Security Council should immediately set up a new and third version of the Geneva Indo-China talks. It must build on the admittedly imperfect foundations of those talks, to arrive at a new modus vivendi for the people of Indo-China. If the original sponsors of the Geneva Conference are now inappropriate, as I suspect some of them are, then the United Nations itself must sponsor those talks.

I admit the Soviet negotiator, Jacob Malik, has been both encouraging and discouraging on the topic. But he must be approached and every possibility explored. Has Canada made

any overtures to Great Britain? Have we sought to cash in on our special relationship with that country and with France to give them encouragement, to give them a good hard push, in the right direction, if that is what is needed?

What can we do on our own, besides the steps I have outlined? I suggest that the attitude expressed by the Secretary of State for External Affairs with respect to the I.C.C., for example, is not good enough. Although I recognize the difficulties which have been encountered I believe the hon. gentleman's attitude to be defeatist. Unquestionably, the I.C.C.'s chore has been difficult, frustrating and ineffective. There has been little glory to it and it is dirty slogging, especially when one considers the attitudes displayed at times by Poland and by our other partner, India. But we ought not to abandon the one channel of direct action which Canada possesses. The minister says we left because we were asked to go. Very well. But there is now a new government in Cambodia. Would it not be proper for Canada to approach this new government to see whether it would not accept, indeed, welcome, the I.C.C. back?

The I.C.C. will not be able to settle the whole business but it could make a useful contribution particularly if it could be established in a workable form. I believe we ought all, as Canadians, rather than indulge in condemnation, to concentrate our efforts on exploring methods and approaches which might be helpful in the circumstances of this tragedy. Canada dare not pass up the opportunity of even doing this much. We must not pass up any opportunity to persuade the countries involved and the international community generally to freeze the fighting and to get the talks started again. Of course, all this will be of no avail unless there is efficient machinery for seeing that what is decided will be carried out.

I want, now, to make four points in this discussion of the situation. I put them forward with considerable humility and great sympathy for all those involved. I suggest:

1. The terrible conflict in South Viet Nam must not be escalated; it must be isolated and brought to a halt.

2. Canada's fundamental approach must be to use every possible diplomatic and political opportunity which exists for restricting the expansion of the conflict.

3. We should demand an emergency session of the Security Council, asking it to set up, under United Nations sponsorship, a new Geneva conference on Indo-China.

4. Simultaneously we should examine the possibility that a different government in Cambodia would be prepared to take a new approach to the International Control Commission, one which might allow it to work effectively, at least for the achievement of a limited purpose.

• (3:40 p.m.)

It is on this basis, with the hope that some of these suggestions may be constructive, that I put them forward.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thought it might be useful to the House if I were to begin my remarks with a short historical background to the events that we are discussing this afternoon.

The 1954 Geneva Conference on Indo-China drew up cease-fire agreements for each of the three Indo-China states. As one of the countries invited to serve as a supervisory power on each of the three International Commission provided for in the cease-fire agreements, Canada undertook, together with India and Poland, to see whether or not the parties involved in the agreements properly implemented the terms of those agreements to which they had subscribed. In Cambodia these parties were the Cambodian national armed forces, on the one hand, and the Cambodian resistance forces and Vietnamese military units on the other.

The implementation of the 1954 cease-fire agreement for Cambodia proved to be a straightforward matter. The more purely military provisions were put into effect without too much difficulty and, with the Cambodian elections of 1955 over, the Canadian delegation urged that the commission should be disbanded. In Canada's opinion, the job for which the commission had been established had been completed. We were not, however, able to convince our Indian and Polish colleagues, particularly when it became clear that the Cambodian government wished to see the commission continue in being. So the commission remained in Cambodia with its personnel progressively reduced until by 1958 only a token staff was left.

Until about 1963 there was not much for the commission to do. The renewed conflict in Vietnam, however, began increasingly to be felt in Cambodia—often with tragic loss of Cambodian lives and property. As the situa-

tion in Viet Nam deteriorated, incidents in the border area between Cambodia and South Vietnam became more and more frequent. For their part, the South Vietnamese and the Americans maintained that any incidents in which they were involved resulted from clashes with Vietnamese Communist forces who were making use of Cambodian territory as a sanctuary to which they retreated or as a base from which they operated against South Vietnam. The charge was also increasingly made that the Vietnamese Communists were making use of Cambodia as a supply route both in the northeastern province along what was called the Sihanouk trail and through the ports along the Gulf of Siam.

Since early 1968 the Cambodian government itself has complained publicly of the activities of Vietnamese Communist armed forces on Cambodian territory. Evidence substantiating these complaints were contained in an official Cambodian government report made public in October 1968 in which the Cambodian Secretary of State for National Security reported that armed Vietnamese continuously installed themselves in certain frontier districts of Svay Rieng province. In another report published in October 1968, the estimated strength of these Vietnamese Communist troops was given as 4,000.

By early 1969 public statements by Prince Sihanouk more and more frequently contained charges of extensive Vietnamese Communist infiltration in the border area. In his March 6, 1969 press conference, Prince Sihanouk declared that Viet Cong and Viet Minh units had infiltrated into Cambodia near Mimot and other areas in an apparent attempt to establish a Vietnamese frontier along the Mekong River. In his press conference of March 28, 1969 Prince Sihanouk declared that Viet Cong and Viet Minh units, in some cases in batallion and regimental strength, had infiltrated into Cambodia along Cambodia's eastern frontier and that they had actually engaged in armed conflict with Cambodian military forces in the Parrot's Beak.

In the Canadian government's opinion, these indications constituted prima facie evidence of a violation of the 1954 cease fire agreement on Cambodia by one of the parties and the ICC had a clear obligation to initiate an investigation to verify the facts. The Canadian delegation proposed such investigations but this was not taken up by our colleagues before the Cambodian government on October 7, 1969 indicated its intention to have the commission "terminate its mission by the end of the year". Earlier, two Canadian proposals were put forward in the commission in response to a general request by the Cambodian government in August 1968 to investigate the alleged presence of Vietnamese Communists in the Parrot's Beak area. These, however, were rejected by the majority in the commission.

Thus, prior to 1969, the Cambodian government appeared to us to be genuinely interested in the International Commission. It gave the commission virtually carte blanche to fulfil its responsibilities and provided the permissive framework within which the commission could act if it so decided. We were unable to convince our colleagues on the commission to do so and by early 1969 the Cambodian government ceased asking the commission to undertake any kind of investigation—even of border incidents allegedly involved U.S.A.-South Vietnamese forces which the commission had been carrying out. On October 7, 1969, as I mentioned in the House this morning, the Cambodian government indicated the desire to have the commission terminate its mission, and on December 4, 1969 it asked the commission to adjourn sine die by December 31, 1969.

It is against this background that we must weigh the present situation in which the United States and South Vietnamese forces have entered Cambodia. The President has declared that this is not an invasion of Cambodia. I express no view on that; that is the statement that he has made. He went on to say that the areas in which these attacks will be launched are completely occupied and controlled by North Vietnamese forces.

He has also made clear that it is not the purpose of the United States to occupy these areas. He said, as I mentioned this morning, that "once enemy forces are driven out of these sanctuaries and their military supplies destroyed, we will withdraw".

I should make it clear here that Canada was not informed about the United States decisions ahead of time. We had no previous knowledge whatever, and there was, of course, no reason why we should. As I said in the House this morning, there is no doubt that these decisions were hard ones and certainly very momentous. It remains to be seen whether they will accomplish what the President has in mind.

I have no doubt whatever that the President is very conscious of the risks of uncontrolled escalation in this situation, and that

this must be a governing factor in the implementation of his policy. I think it is fair to say too that the President made his decision in full knowledge of the opposition of many leading figures in the United States, including Senator Fulbright, as referred to by the hon. member for York South (Mr. Lewis).

The United States is a democratic country. There are many countries in the world where decisions of government are made without attention to the views of their people. The American people can at any time reject a government that makes decisions that are contrary to what they believe to be in their interests. I believe, if I may say so, that the American people are as fully conscious as we are as Canadians of the implications of the decisions that have been made by the U.S. government.

• (3:50 p.m.)

It is for this reason I doubt either the utility or the appropriateness of many of the simplistic appeals such as have been suggested in the House today by the deputy leader of the New Democratic Party. I understand the anguish expressed by him. I share it and I am sure all members of this House share the anguish about the war in Viet Nam and in Indo-China. I doubt very much, however, whether the anguish in Indo-China would end if the United States were simply to withdraw its forces immediately and without condition. This seems to me to be the dilemma in which we all find ourselves today.

Hon. members of the opposition have made a number of suggestions. I should like to comment on some of these now. First, it has been suggested that we ought to do more to have the International Control Commission in Cambodia revived. It has also been suggested that we should do more to reconvene the powers involved such as the members of the Geneva conference. Others have suggested we should take steps to bring the matter before the United Nations.

Let me deal first with the question of reconvening the International Control Commission. We have been discussing this question with those governments directly involved in any decision that would be taken on this matter and there is no indication yet that they see the reconvening of the commission as being helpful. I have made the Canadian government's position clear. We are of course prepared to see the commission reconvened if there is any reasonable prospect of it being able to do a job. We have indicated our readiness to participate in a tripartite meeting in New Delhi in order to discuss with India and Poland the function of a reconvened International Control Commission as well as improvements in its methods of operation which would be necessary in order to make it more effective than it was before. Whether there is now any better prospect of the commission being reconvened is at least doubtful. The only responsibility which the commission has is to supervise a cease-fire which has already been agreed upon. It may facilitate the implementation of an agreed cease-fire, but it has no mandate and indeed no capacity to stop the parties engaging in a full-scale conflict.

The French government has put forward the idea of negotiations among what they call interested parties with a view to the neutralization of the whole of Indo-China. When I discussed this proposal with Mr. Schumann in Paris a few weeks ago he made clear that this was not a new proposal for a new Geneva conference, although that possibility was not ruled out. As the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) pointed out, the Soviet Union appeared to show some interest in the idea of a Geneva conference. However, the Soviet Union made no specific proposal as some believe and subsequently made clear, in the words of the Soviet Ambassador to the United Nations, that "Convening such a conference is unrealistic at the present time". The New Zealand Prime Minister, Mr. Keith Holyoake, has also urged the convening of a new Geneva conference on Indo-China. No concrete proposals, however, have been made by anyone and from our own reports we have concluded there is no agreement on the part of the parties most directly concerned that a Geneva conference should be called.

There is some movement toward the convening of a meeting of Asian countries in Djakarta on May 11 and 12.

An hon. Member: It was postponed to the 16th.

Mr. Sharp: Thank you. While Canada has not been invited to attend this meeting naturally we have a keen interest in it since it represents an effort by the countries of the region to reach a consensus on the Cambodian situation and to make recommendations to the parties involved.

It has been suggested that Canada should bring the question of Cambodia before the United Nations. In fact, the Cambodian gov-

ernment is capable of doing so itself and has, indeed, brought the situation in Cambodia to the attention of the United Nations. So far, however, it has not pressed for a Security Council meeting. If in fact the Cambodians believe they have been invaded, notwithstanding the view expressed by President Nixon, then of course they could certainly take this matter before the Security Council.

The difficulty about discussing the situation in Southeast Asia at the United Nations remains as it always has. Many of the parties are not members. Neither North Viet Nam nor South Viet Nam, as the hon. member for York South said, are represented and of course the chair of China is occupied by the Republic of China government rather than by the People's Republic. Furthermore—and I point this out to the House—the Communist side in the dispute has always vigorously denied the authority of the United Nations to discuss the war in Viet Nam.

Mr. Lewis: Of course they would.

Mr. Sharp: All I am saying to the House is that it is very difficult under these circumstances to feel that this would be the most useful thing today since there seems to be expressed opposition on the part of one of the parties to the conflict. For the moment the prospect of any Security Council consideration of the Cambodian situation does not look promising, but there may be other United Nations machinery which might be employed.

I throw out this suggestion. In the past the despatch of a personal representative to troubled areas by the Secretary General has proved a helpful intervention. This is something which I think might be a useful initiative at the present time. When it comes down to it, however, any of these efforts will be successful only when the various parties agree to negotiation. Until the parties are prepared to discuss the issues, a Geneva-type conference or any other initiative cannot be forced on them. As soon as there is any hope in this respect, there will be an opening for Canada, and indeed the other interested governments, to make a helpful contribution. All we can do in the meantime is to urge the parties to get together, but the idea that one could call upon a group of countries that are not involved in the dispute to settle the dispute is obviously unrealistic. There must be a disposition to negotiate and there must be a disposition to agree. In this case, Mr. Speaker, I can assure the House of the Canadian government's desire to see this agony in Indo-China come to an end as quickly as possible. We will spare no effort.

I am sure the House will support the government in avoiding what might be called diplomatic gestures, and I hope the House will support us in concentrating upon the hard slugging and even upon the quiet diplomacy that is so often derided but which is of the essence of effective work in the cause of peace.

• (4:00 p.m.)

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, all over this nation and throughout the world today there is deep fear on the part of mankind and I think all of us should restrain ourselves on this occasion and not engage in incendiary statements. I am sure that when the hon. member for York South (Mr. Lewis) reads some of the statements that he made so freely today he will regret having done so.

Mr. Lewis: I will not.

Mr. Diefenbaker: Well, there are some to whom common sense will never appeal. I remind him that his party in the United Kingdom has not engaged in the type of speech or action that he has placed before this House. He has a power of language and debating skill that I have always admired, but his reaction to the tragic situation that faces mankind today was not marked by that degree of self-control which is necessary.

Mr. Lewis: Which the right hon. member always uses.

Mr. Diefenbaker: I did not get the benefit of that interruption. Apparently the hon. member is annoyed already; the interruption indicates that. I listened as he covered the whole gamut of Socialist condemnation of the United States, and one wonders who is the wrongdoer. I am one who has had disagreements with the United States. The state department interfered in Canada in 1962 and 1963 in a way that was completely unjustified. Today we are facing a situation that will not be made better by incendiary speeches, however attractive they may be as headliners for the press.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: One would almost think that the United States has become a criminal in the dock. There are many things with which one disagrees but there is one thing

that this House should not forget, that is, that had it not been for the U.S. assuming the titanic responsibilities that Britain had carried for 200 or 300 years without thanks, freedom today would not be in existence anywhere in the world. I am distressed to hear so outspoken a condemnation on the part of this country while across the line the U.S. pours out its blood and its treasury.

I am not in agreement with the hon. member concerning the circumstances under which the U.S. entered Viet Nam. Today that is simply a dialectical exercise. I feel convinced that the United States was invited there. He says it was not. Whichever is correct is of no consequence today. What would we have the U.S. do—get out?

Mr. Nystrom: Hear, hear!

An hon. Member: It's the young one speaking.

Mr. Diefenbaker: The hon. member for Yorkton-Melville (Mr. Nystrom) has made it clear that in his opinion the United States should get out of Viet Nam. If it did, he and young men all over the western world would find themselves in a dangerous situation.

Mr. Crouse: In uniform.

Mr. Diefenbaker: Forty thousand Americans are dead so far. The United States has tried to get out by negotiation. I am surprised that the hon. member would say nothing in criticism of the degree to which North Viet Nam has refused to negotiate no matter what the United States has offered. The President of the United States offered to reduce the number of forces, and he has done so. Did that bring about any softening of the attitude on the part of North Viet Nam?

Mr. Crouse: None.

Mr. Nystrom: It's their country.

Mr. Diefenbaker: The President offered almost everything except the withdrawal which has the support of the hon. member for Yorkton-Melville. He says "withdraw". Well, you can ridicule the domino theory all you will, but Southeast Asia would fall to the Communists if the United States walked out without a political settlement. The only reason Indonesia stood when there was a Communist coup was the United States.

It is so easy for us to judge what should be done. We face one of those situations where the heart of mankind is shaken by what is taking place. We are fearful. What of the future? What of tomorrow? We do not know the circumstances of which the President of the United States has full knowledge. He cannot reveal those things. Mention was made that there was no knowledge that there was going to be any entry into Cambodia by the U.S. That is not the way I read it. One person made that statement but others said the very reverse. The Americans are in a desperate position in Southeast Asia. I do not think they should have gone in originally when President Kennedy, making one of his various monumental mistakes, moved in there with troops. However, they are there. And my hon. friends as the CCF in 1939 were not right.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: They spoke with the same sophistication, the same assurance that from above, they alone had the answer to all the questions. I do not see them turning to that volume of *Hansard* of 1939 when freedom was in danger and they said that Canada should stand aloof except for economic assistance. When we face problems such as this it is so easy to place the U.S. in the position of being the accused in the dock. As the minister said, I do not want to see this House placing Canada in the role of the accuser. It is a dangerous thing for Parliament to be meeting for the purpose of telling the U.S., "It is your sacrifice. You have poured out the billions to maintain freedom, and a few members of our Parliament sit here on a Friday afternoon and determine whether your course is right and we condemn you". I will have no part in such a proposition.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Winston Churchill in his famous speech in Fulton on March 5, 1946, said:

• (4:10 p.m.)

> The United States stands at this time at the pinnacle of world power. It is a solemn moment for the American democracy. For with primacy in power is also joined an awe-inspiring accountability to the future.

The United States was new to power, steeped in liberty and a stranger to tyranny. It took over world leadership from Britain which had carried that load for 200 years. Senator Fulbright was a word for every occasion; he has an answer to everything. Since he has been chairman of that committee there has not been a President, whether a Democrat or a Republican, who has been right. They

are always wrong. Can you show me where he ever saw that anything was right? I have no such occasion in mind at the moment. Naturally, there will be condemnation in the United States, because there is fear there, too.

Away back in 1914—and I lived through that period—nobody thought a war would come. We read that if there had been a little more industry shown on the part of diplomats in Great Britain, France, Russia and Germany, there would have been no war. Mankind does not want a world war; everybody agrees with that. But, Mr. Speaker, if the United States were out of Asia, the marching legions of Communism would take over in Asia in those places where today they march by subterranean methods.

Do you not think the President of the United States faced one of those awe-inspiring appointments with destiny while others slept? The responsibility was on his shoulders. It was obvious as he spoke last night that he did so with the realization that he and the United States, by risking this action, had undertaken an appointment with destiny. I do not want to see the message go out from this chamber that, with 40 or 50 members present, it endorses any widespread and unqualified criticism of the United States. That responsibility which Britain had and the United States now has is awe-inspiring. In the words of Matthew Arnold, it is like a "weary Titan—staggering on to her goal, bearing on shoulders immense, Atlantean, the load, well nigh not to be borne."

Sir, as I listened to the speeches today I wondered whether we realized how fortunate we are in Canada that our neighbour is the United States.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I had every reason to take strong umbrage because of what happened in 1962 and 1963. What was heresy then, when we refused to take those nuclear weapons after the bomber no longer was the primary danger to North America, was completely approved in the speech of the President to Congress on March 12, as I recall the date. Having said that, I ask, what recommendations can you make? I do not know what recommendations should be made. Should the Geneva Conference be convened? Who will accept the invitation? Is there any nation that will?

For over one year the United States, in facing North Viet Nam across the negotiating table, has continued to make allowances. Whatever the United States has offered has been spurned. Consult the United Nations, someone suggests. My friend, the leader of this party, Mr. Stanfield, thinks this would work and that we should try it. Well, I have no reason to object to anything being tried, but as I see it there is no possibility of anything being achieved. The United Nations today is a denuded shadow of what we believed it could be in San Francisco in 1945. The blame rests on the veto. Some say, "Bring this matter before the Security Council." How long would it last there, with the power of veto? It could be tried, but the attempt would be innocuous unless there has been a complete reversal of opinion on the part of the U.S.S.R.

The minister wondered if there is not some initiative we could take. I would like to suggest two, and I do not want anyone to think I am being facetious in what I am about to say. First, how about sending Chester Ronning again to Southeast Asia? He has gone on two occasions. He has entrée in Asia. He has an unusual personality and a capacity to transmit his views. Second, the Canadian government is negotiating with Communist China the question of recognition. The minister smiles now.

Mr. Sharp: I am waiting.

Mr. Diefenbaker: I do not suggest that any close relationship from the discussions would permit Canada to place her views with the representatives of Communist China, but when you get right down to it that country is the backbone and the bulwark support of North Viet Nam, and has been throughout the entire period of the war in Viet Nam. Three years ago I was talking to an audience at a United States university. What I said on that occasion was not very acceptable to many. I said at the University of Miami that a military victory by either side cannot be achieved and that a political settlement is the only possible solution. In the light of subsequent events, that statement was well-founded.

Can you imagine the position in which the United States finds itself? It has its troops in South Viet Nam and across the border in Cambodia the North Vietnamese and Viet Cong are accumulated in large numbers. Whenever they want to, they can come out and attack. If a criminal were to commit a crime on one side of the street, would you deny police officers the right to cross to the other side of the street and arrest the wrongdoer?

It is very easy to criticize the United States. I am not surprised at the widespread criticisms. After all, there are to be congressional elections in the month of November and, naturally, political considerations will have some degree of weight among the members of the United States Congress. The suggestion has been made over and over again that we should neutralize much of Southeast Asia, including North Viet Nam, South Viet Nam, Cambodia and Laos, and that the security of those nations should be guaranteed by the United States, Great Britain, Russia and France. That is an objective that can never be attained.

• (4:20 p.m.)

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the right hon. gentleman, but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Diefenbaker: I wish to make just two further observations. That objective cannot be attained. It is all right to put these phantoms in the air and try to pick them out. Theoretically they are fine, but there are no one-way streets in negotiations. There must be traffic back and forth, and there is no such thing today between Viet Nam and the United States or, indeed, in any of the countries.

I am not taking a view different from my leader. He said there should be a declaration that the United States and Viet Nam should get out of Cambodia; that is what I understood. That is fine. However, who is going to put them out? Would they agree to leave the protected position in which they find themselves today and from which they carry on their activities? It is a frightening problem. It arouses the fear of mankind as it has not been aroused for a long, long while. Yet in the midst of all these fears a number of members have indicated that most Canadians and Americans do not fear that this will lead to a worldwide, extended conflagration.

It is easy to attack those who have responsibility. I have often been in disagreement with the Secretary of State for External Affairs (Mr. Sharp). Today I thought he dealt with this subject in a more statesmenlike manner than he has dealt with subjects in the past. I do not say that in a manner of criticism, because the minister knows I have disagreed with him strongly in the past. I think today he will keep open our lines of communication with the United States. I hope he will extend those lines of communication by sending Chester Ronning abroad once more to see whether he can bring about a sense of reality that will immediately lead to a national settlement.

I do not want the message to go out from this Parliament today that the United States is in the dock in the view of the Canadian people. Our two countries have been together too long on behalf of freedom to permit such an idea to go out over the world.

Some hon. Members: Hear, hear!

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, in entering this debate I wish to congratulate the previous speakers for their efforts. I think the right hon. member for Prince Albert (Mr. Diefenbaker) and the hon. member for York South (Mr. Lewis) made great speeches. However, these speeches indicate to many of the younger members of this House that their points of view are not completely applicable to the matter under discussion. I think the speech of the deputy leader of the New Democratic Party will certainly endear him to delegates of that party's leadership convention which will soon be held. It was a good speech in terms of delivery and what he said, far better than my speech will be. However, in terms of content I think he has forgotten precisely the point we are debating this afternoon.

The American involvement in Cambodia which started yesterday is a matter of great concern. It has been well dealt with by other speakers. I wish to emphasize one aspect to which the hon. member for York South made passing reference. He referred to the dismay in the U.S. Senate and in the Congress regarding this action. Just as worrying as the international aspect of this enlargement of the conflict are the internal results that might come from it. This, of course, cannot be predicted, certainly not by a Canadian as far away from the border as we in Ottawa. However, it is one aspect which is extremely worrying. There is a conflict between the President of the United States and Congress, a situation which our system happily avoids. This particular aspect of the problem is just as worrying as any other arising out of the actual ground involvement in Cambodia. President Nixon stated that the expansion of the war is to be of limited duration for limited objectives. Only time will tell.

An hon. Member: That was also said about Viet Nam.

Mr. Anderson: The hon. member has mentioned that this was also said about Viet Nam. I concur in the criticisms of the right hon. member for Prince Albert about the naïvety of late President Kennedy in getting involved in Viet Nam the way he did. Nevertheless, I wish to deal with this particular aspect of the war. No resolution of this or any other House, or the United Nations, regardless of all the problems involved in getting such a resolution passed, will deter the President from this action—certainly not at this particular time. I feel that at this moment we should not attempt to harden American opinion in the way that has been suggested. Nothing concrete can be done to deter them until such time as the results of this action are known. As the NDP member mentioned, this will not be until such time as it is proved incorrect that the American involvement in Cambodia is not limited—if that is proved to be correct.

We must realize that this expansion of actual fighting in terms of the area where the fighting is taking place is not really an expansion of the war zone if considered in general terms. For years this area of Cambodia has had an extensive Vietnamese population and an undefined border. For years it has been used by the Viet Cong. I do not wish to minimize the fact that fighting is now on the Cambodian side of the border. I do not accept the suggestion that this is of a very dramatic and different nature than previously. This area was always part of the war. It is exactly in that area where the Viet Cong forces were treated, regrouped, retrained and recovered from wounds. It is that area which is now being included in the scope of American operations. Much of what has been said in the last 24 hours concerning the expansion of this war is not entirely valid. This area has always been part of the war zone. It has now become part of the front line. Front lines shift, and this particular area now finds itself engaged in fighting.

An example was given by an hon. member for the NDP that the American President said the United States was pulling out of Viet Nam. I think that should be considered in light of what took place in the bombing of North Viet Nam. Obviously there was a counter-productive and unnecessary military activity which the Americans gave up despite objections from their generals and from their Congressmen and Senators. They gave it up because they felt it was counterproductive.

Perhaps I am only throwing out a ray of hope, but to suggest there is a certain type of inevitability in this type of escalation is to ignore the fact that over the last two years there have been modest reductions in the scale of operations. From this point of view we can take hope that the Americans mean what they say, that they are not in Cambodia to stay.

The hon. member for York South made much of the fact that this was actually an invasion. He said that Cambodia was being invaded, that the Cambodian head of state did not know of this and that they regarded it as aggression. The first question in my mind is why the Cambodians did not object. They have diplomatic representation abroad; they are represented at the United Nations. On this particular point we ought, I believe, to leave it to the Cambodians to decide whether or not they are victims of aggression rather than accept the too simplistic suggestions of the deputy leader of the New Democratic Party basing his account on hearsay evidence reported in a newspaper.

• (4:30 p.m.)

As a matter of fact, today's paper talks about Viet Nam task forces linking up with Cambodian troops defending the capital, and about the commanders conferring. It seems unlikely to me that Cambodia is a victim of aggression if the Cambodian commanders are conferring with their Vietnamese opposite numbers rather than opposing them. There has been no indication in the press so far of opposition, and this should be borne in mind when the artificial distinctions made by the deputy leader of the NDP are considered.

I am inclined to think the debate today should be concentrated upon the steps which Canada might be able to take in this trying and unhappy situation. It has been suggested we should go to the United Nations. If we simply wished to satisfy our own public opinion—and members of the public perhaps know less than do members of this House about the effectiveness of the United Nations—I am sure this suggestion is a good one.

We could go there and make speeches as has been done in this House today, speeches which have little value except in terms of political advantage—not that I, as a politician would say that political advantage is something to be ignored. But we should bear in mind that the major parties to this conflict, namely, the North Vietnamese and the South Vietnamese are not represented at the United Nations. Neither, of course, is the People's

Republic of China. How there could be a meaningful discussion in these circumstances is hard to understand. I personally regard this approach as a very unlikely avenue. The reluctance of the Secretary General to become involved suggests that this is not the best approach to take.

There has been a proposal that the International Control Supervisory Commission should be re-established. This suggestion was made by the Leader of the Opposition (Mr. Stanfield) who urged us to take a positive attitude toward this organization. I think it would be helpful if before making further speeches on this point his speechwriters and advisers were to read the terms of reference setting up this commission. If they did, they would find that the commission was set up to "control". The word "control" in French, the language of the original text, has a meaning which differs from the meaning of the word "control" in English; perhaps the best word in English would be "supervise" or "oversee".

If the hon. gentleman's advisers would examine this document they would find that the commission is entirely dependent on the good will of the country in which it is operating. If the Cambodian government really desired the commission to operate effectively, and if there were co-operation from Poland in this regard, it is conceivable that the commission could report violations of the Geneva accord or of other accords which might be reached in the future.

However, if the government of Cambodia does not really want this commission to function—and in the past this has been its attitude—there is no earthly hope of it being successful. These are harsh words, but they are realistic. What can three men sitting in Phnom Penh, 300 miles from where the action is, do to observe and report on the violations of the Geneva agreement? They could do no more than three men sitting out in the wilds of Ontario could do to analyse and report on such a thing as a Quebec election. Unless they are allowed to carry out their investigations on the spot, interrogate witnesses and so on, there is no likelihood of their being effective.

Mr. Stanfield: Mr. Speaker, would the hon. member not agree that my suggestion was that the government should inquire whether the new government in Cambodia would take a different attitude toward this commission?

Mr. Anderson: In that regard I accept the correction of the hon. gentleman. I agree with him on this point. This must be examined. There is no magic attached to the ICC. The hon. gentleman does realize this, I think. My comments were directed more to his advisers than to himself. Perhaps those who wrote his speech had overlooked the limitations built into the Commission. But if there is a chance of co-operation, this might be a useful vehicle and I am sure the Secretary of State for External Affairs (Mr. Sharp) is not ruling it out.

The most useful possibility which has been mentioned is the reconvening of the Geneva Conference. I realize this is unlikely to occur. The Soviet Union, one of the co-chairmen, is very doubtful about such a move. I suspect from what the Secretary of State for External Affairs has told us that in recent weeks the nations making up that conference have been canvassed, and that in future they will be continually asked whether their attitude to reconvening the conference has become more favourable. So if it should appear as though a new conference might succeed, one could be reconvened.

This is a difficult subject. It would be easy to wax angry, as did the eloquent member for York South, or to speak in broad terms referring back to dates as long ago as 1914 as the right hon. member for Prince Albert has done. But in situations of this kind I believe we should avoid actions taken merely for the sake of appearing to be active in the eyes of the Canadian people.

This international event in Indo-China might to a certain degree be limited if nations such as ours did not try to involve other nations in this exercise. One reason international events or border activities escalate is because too many nations leap into too many conferences and make statements based on their own experience rather than that of the area involved. It is with great sadness that I suggest we must be careful not to escalate this problem simply out of a desire to show the Canadian people that we are sensitive and active on the Cambodian issue.

• (4:40 p.m.)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the Secretary of State for External Affairs (Mr. Sharp) and the hon. member for Esquimalt-Saanich (Mr. Anderson) have spent most of their time telling us about all the things that will not work, all the things we cannot do, and how completely futile it is to do anything at all about what is undoubtedly one of the most serious problems facing the world today. The Secretary of

State for External Affairs seems to place his entire faith in silent diplomacy—a policy of hear nothing, see nothing, say nothing.

I thought that some of his arguments were most ingenious. For instance, he said that President Nixon is undoubtedly conscious of the risks involved in the policy which he announced last night; that he undoubtedly made this decision in the full knowledge of the opposition which it would incur. Then he went on to say that after all, the United States is a democratic country and the people can remove the government if it is doing something that is wrong.

Surely that is a most invalid argument. Are we to wait till the people of the United States at the next presidential election change the President before dealing with an international crisis? In 1956 when the British and French governments, along with Israel, attacked the Suez Canal, surely it was not suggested that when the people of those respected countries decided to change the government the problem would be resolved. The United Nations stepped in and sought to find a solution to the problem.

Mr. Sharp: They changed their policies.

Mr. Douglas (Nanaimo-Cowichan-The Islands): They changed their policies under pressure from the United Nations, that is why.

Mr. Sharp: Under pressure from their own people.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The policies were not changed by waiting until the next general election in each of those three countries. Here is the Secretary of State for External Affairs telling us that the only way to resolve this problem is to wait until the United States has a presidential election.

Mr. Sharp: No, I did not say that.

Mr. Douglas (Nanaimo-Cowichan-The Islands): He said that he doubts the value of simplistic appeals.

Mr. Sharp: I do.

Mr. Douglas (Nanaimo-Cowichan-The Islands): We would welcome hearing what he does think would be of value. He says there is no value in taking this matter to the United Nations. He points out, quite accurately, that some of the countries most involved are not members of the United Nations, and that is true. But they could be invited to sit in on the discussions, and if they accepted it would certainly help them become involved in the world community.

The Secretary of State for External Affairs points out that the Soviet Union on the Security Council has the power of veto, and again that is true. But as I pointed out this morning, only a few days ago Mr. Jakob Malik, Soviet ambassador to the United Nations, indicated in New York that the Soviet Union would be interested in having the Geneva Conference reconvened.

If the right hon. gentleman for Prince Albert (Mr. Diefenbaker) is right and there is a danger of Southeast Asia falling under the control of Communist China and the great hordes sweeping across the Pacific and endangering the freedom of the people on the North American continent, not only would we be concerned about that but the Soviet Union would also be concerned about it. I am sure that Members of Parliament who accompanied the former Speaker of this House to the Soviet Union on a visit in 1965 would all agree that one of the greatest concerns that the Russians have today is the threat of the growing power of China at their back door. I think there is nothing that guarantees that the Soviet Union would not be prepared to find some solution to this problem in Southeast Asia and they would not be just as anxious as we are to prevent a conflagration in Indo-China which could involve Communist China and which could eventually involve most of the nations of the world.

The right hon. member for Prince Albert referred to the United Nations as a denuded shadow. I would not go that far. Certainly the United Nations has not had either the cooperation of the great power or the essential powers in its constitution that it needs in order to maintain the rule of law in the world. But the fact is that it is the only international body we have from which we can hope to establish the rule of law in the world. To have this matter discussed in the Security Council and the General Assembly, to invite the various nations involved to come to such a discussion, to ask the United Nations to step up the kind of machinery or some type of international commission that might work out a solution in Southeast Asia at least offers some hope.

What disappoints me about the statement of the Secretary of State for External Affairs is that he has offered no hope at all. The hon. member for Esquimalt-Saanich detailed one by one the things we cannot do. Today the

world needs leadership. I am not suggesting for a moment that Canada can save the world or can end the war in Southeast Asia. But Canada could join with other nations who are not directly involved and who have no colonial interests to serve in giving moral leadership to the world. The world today is crying out for moral leadership, for nations that are prepared to support the rule of law, that are prepared to condemn aggression whether by the Communists, the United States or anybody else. We might not succeed, but surely we ought to try.

The right hon. gentleman for Prince Albert said that the United States is not in the dock. I say that before the bar of history every one of us who holds any public responsibility is in the dock unless we raise our voices and use our influence to try to find a way of establishing peace in the world.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): As I heard the Secretary of State for External Affairs it sounded to me like a counsel of despair—"There is nothing we can do. Just sit tight and hope that this problem will go away". We have been saying this since 1963, and during those seven years the situation in Southeast Asia has grown worse. The only genuine opposition, the only thing that has been effective has been the outcry of the ordinary people of the world. In the United States itself the people who demonstrated, the people who signed petitions, the people who held a moratorium day are the people who ended the bombing of North Viet Nam, not the politicians. I had hoped that this government would go over the heads of the politicians, the diplomats, the admirals and the generals and call on the common people of this country and other free countries to speak out and say, "In God's name, stop this insanity!"

• (4:50 p.m.)

Instead of that we have had this mealy-mouthed explanation that there is really nothing we can do except sit back and let events take their course. The Secretary of State for External Affairs said that we share the anguish of what is happening in Southeast Asia, but he also said he doubts whether that anguish would be ended by the withdrawal of the United States forces. Well, Mr. Speaker, it is certainly not being helped by including another nation in this holocaust. The fact is that this is a continuance and an extension of the sad and depressing story of the Viet Nam war which started now some seven or eight years ago.

I have no hesitation in saying and make no apology for saying bluntly, as I have said in this House before, that in my opinion the United States had no business being in Viet Nam in the first place. I was glad to hear the right hon. member for Prince Albert say that he thought they had no business being there in the first place. I find it a little illogical, however, for one to say that they had no business to be there in the first place, but being there they have a right to stay there. I think he will have great difficulty reconciling those points of view.

Mr. Osler: What about the U.S.S.R?

Mr. Douglas (Nanaimo-Cowichan-The Islands): My friend can make a speech about the U.S.S.R. He probably knows more about it than I do.

Mr. Osler: I doubt it.

Mr. Douglas (Nanaimo-Cowichan-The Islands): So far as I know, the U.S.S.R. has no troops in Viet Nam.

An hon. Member: They have them everywhere else.

An hon. Member: What about Canadian reforms at the United Nations?

Mr. Douglas (Nanaimo-Cowichan-The Islands): My friend can make a speech later. I have only 20 minutes. We can be here until midnight, so my friend can make a speech any time he likes. I say that before we can understand what is happening in Southeast Asia today we must remember how this appalling situation came about. When the French were defeated at Diem Bien Phu the Geneva Conference was held in 1954 at which the French were given two years to withdraw. A temporary line of demarcation was drawn between the north and the south. At the end of two years there was to be a vote in which the Vietnamese people were to decide for themselves whether they would be one nation or two and what form of government they would have. The United States was not a signatory to that agreement. It is true that General Smith submitted a letter signed by President Eisenhower saying that the United States agreed with the general principle, but they did not sign the agreement. During the two-year period provided for the French withdrawal the United States set up a puppet

government under Diem. Then under the pretext of having been invited they moved in their military forces and military hardware.

The International Control Commission of which Canada was a member protested the fact that this was being done. The myth was that they were invited in by Diem. This was like a dummy inviting the ventriloquist to dinner. The elections were never held. What had been a temporary military demarcation line became a fixed border. Some of the previous speakers who spoke about freedom should look at the sort of freedom there is in South Viet Nam. I doubt if there is very much more there than there is in North Viet Nam. The only difference is you have an élitist military dictatorship in the south and a Communist dictatorship in the north. But the United States had a vital stake in Southeast Asia and used its puppet government as a pretext for being in Viet Nam and for preventing the implementation of the provisions of the Geneva agreement. Through the protests mainly of the American people themselves it was finally recognized there could be no military solution. President Lyndon Johnson was defeated largely because of his policies in Viet Nam, and President Nixon was elected on his commitment to de-escalate the war.

The hon. member for Esquimalt-Saanich said that perhaps the invasion of Cambodia will prove to be counter-productive and consequently may not amount to anything. Mr. Speaker, the invasion of Cambodia is merely opening a new chapter in a ghastly story. As someone mentioned today in the press, this is not a turning point in the war; it is a turning back in the war. Anyone who reads the history of Southeast Asia will realize that a western industrial power invading any country in Southeast Asia is like a fly landing on flypaper; you can get in much easier than you can get out. The French learned that. The Japanese learned that and now the United States is learning it. The announcement last night by President Nixon that the United States is sending ground troops and bombing planes into Cambodia opens a sinister chapter in this already bloody story.

The Secretary of State for External Affairs has pointed out, as did the President last night in his speech, that there have been Viet Cong and North Viet Nam troops in Cambodia for five years. This is the business of the government of Cambodia. Apparently Prince Sihanouk, who was the head of state,

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

did not object. As a matter of fact, I gather from the comments of the Secretary of State for External Affairs that one of his quarrels with the International Control Commission was the fact that they were reporting the presence of the Vietnamese and Viet Cong troops in Cambodia. But Sihanouk was deposed. A military government took over. It could be assumed that they would be much more in opposition to the presence of foreign troops. But it is interesting that they have not asked for intervention. They have made no appeal to the United Nations, to the United States or to the government of South Viet Nam.

This morning's *Globe and Mail* states:

> A Cambodian government spokesman in Phnom Pehn said yesterday that the government had not approved the South Vietnamese-U.S. intervention, adding that Cambodia is a neutral country.

The article points out that the ranking diplomat at the Cambodian embassy in Washington made a similar statement. As a matter of fact, President Nixon himself in his television speech to the United States people said that the government of Cambodia had been informed but not consulted.

• (5:00 p.m.)

When a country is invaded and merely informed that it is going to be invaded, without its having asked for help, without its having requested intervention, that constitutes aggression. The hon. member for Esquimalt-Saanich says, "Cambodia can protest to the UN". He said, "The fact that they have not protested proves that they are very happy with the situation". They have not had much time to protest since they only found out about it last night. But are we to accept the situation in which the United States, the Soviet Union or anybody else can invade another country merely because they do not like the troops that are stationed in that country? If we accept this doctrine, it is a dangerous precedent.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired unless he has unanimous consent to continue. Is there such agreement?

Some hon. Members: Continue.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I will make my remarks brief. We have to recognize, I think, that for several years now every time there has been an escalation of the war in Southeast Asia we

have been told by politicians, and particularly by the Pentagon, that a few hundred thousands more troops and in increase in military activity will bring the war to an end. Surely we have not forgotten that for a long time General MacArthur pleaded with President Truman, saying that the North Koreans were using Chinese territory as a sanctuary for their planes and asking for permission to invade right up to the Yalu River. He did so, and the roof fell in.

This invasion of Cambodia is not going to be a mere side issue. It means being sucked further and further into the jungle, it means involving more and more American troops, it means involving the west in a war which they cannot win on the battlefield because all the history of Southeast Asia indicates that a nation that is prepared to take to the jungle and fight a guerilla war can go on for years.

The action of the U.S. yesterday has shocked the world and saddened the friends of the U.S. both at home and abroad. I still hope that we can persuade the Canadian government to take a more forthright position with reference to this matter. We are not asking the Canadian government to be anti-American. What we are saying is that as the closest friend and neighbour of the U.S. we have the responsibility to tell the U.S. when we think they are wrong, when we think their actions are endangering the peace of the world, when we think that an act of aggression such as was committed yesterday will only strengthen the Communist position rather than weaken it. It is no accident that Peking today is very happy, because this gives them the kind of confrontation which they like without it costing them a single soldier.

My plea is that this government make a clearcut declaration that it wants to see an end to the war in Southeast Asia and that it deplores the invasion of Cambodia. The French government has already said this. There is no reason why the Canadian government should not say that. There is no reason why the Canadian government should not make contact with other governments in the western world, other democratic countries, to make representation to the U.S.

Mr. Osler: Would the hon. member allow a question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have already exceeded my time. When I am finished, if the Speaker will allow it, I will gladly answer the question.

There is no reason why Canada, in concert with other friendly, democratic nations, should not bring this matter to the United Nations. If the UN is able to reconvene the Geneva Conference, fine. If the UN is prepared to set up an international commission in an endeavour to bring the parties together, that is all to the good. But our plea is twofold: let the government make a clearcut statement that will challenge the conscience of the people of the world and will call upon the people of the U.S. to give leadership in bringing this barbarous war to a close. Second, we ask the Canadian government to become actively engaged in the task of mobilizing the various countries of the world to seek ways and means of ending this war before it escalates to the point where it threatens, as it may well do, the survival of the human race.

Mr. Osler: Would the hon. member allow a question now, with the indulgence of the House?

The Acting Speaker (Mr. Béchard): The hon. member's time having expired, the hon. member for Winnipeg South Centre (Mr. Osler) will need unanimous consent to ask the question. Is this agreed?

Some hon. Members: Agreed.

Mr. Osler: Thank you, Mr. Speaker, and members of the House. It is a very simple question, but I think the plea could be more easily endorsed unanimously if the hon. member would invite the government of Canada to do what it could to join with all other like-minded governments to tell all the great powers how stupid they are being in relying on the use of force in this day and age.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I would endorse that statement completely. I have made it clear again and again that I am just as opposed to the aggression of the Soviet Union in Czechoslovakia and Hungary as I am to what is happening in Viet Nam or what happened in the Dominican Republic.

Some hon. Members: Hear, hear!

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, today the House is involved in a debate that is very important to everyone, not only in this country but potentially important to everyone around the world. If you follow the history of the Vietnamese war as it has affected the United States, you will see that it

has had an effect on that country on almost every issue possible. It has divided families, it has divided communities, it has split the generations.

I think some of the speeches we heard in the House today have emphasized the rift between the generations in their interpretation of the Vietnamese war. The reply that the right hon. member for Prince Albert (Mr. Diefenbaker) made to my suggestion that the United States withdraw from Viet Nam was, I think, a good example of the different interpretations of the two generations. Perhaps the Leader of the Opposition (Mr. Stanfield) sometimes understands the feelings of most people in the younger generation, judging from some of the things he said today.

People of my generation throughout Canada and the United States feel very strongly about this war for a number of reasons. People of my generation are going into the jungles in Southeast Asia and are dying there. Many of them do not know why they are going in, why they have to die, or even what the cause may be, and many people in my generation do not like the attitude that is so conspicuously evident in speeches like the one given by the right hon. member for Prince Albert or, as a matter of fact, by the Secretary of State for External Affairs (Mr. Sharp), Vice-President Agnew or President Nixon.

This type of speech suggests that we are continuing on in the same old world in which we have been living for so long, a world that has placed humanity on the brink of disaster, a world that has produced the types of weapon that can destroy us in a matter of minutes, a world that on both sides seems to be emphasizing military might rather than the importance of sitting down and trying to rationalize and discuss our problems. I suggest that the most recent American intervention in Cambodia will do nothing but escalate the possibility of even more insecurity and the possibility of an all-out war not only in Asia but perhaps even around the world.

• (5:10 p.m.)

It is with great anxiety, concern, frustration and anger that I rise to say a few words in this debate. There is a lot of fear around the world, no matter which continent you are looking at; and all members here, I think, share the same concern over what has been happening in Cambodia. That does not mean that we are anti-American or anti-anything. You can look at the press clippings which have appeared in the last few hours and see that members of the United States Senate and House of Representatives are condemning the President of the United States for intervening in Indo-China. I should like to quote briefly from one or two such clippings. Senator Frank Church, a Democrat from Idaho said, "This is just a first step of a new set of obligations. It can only lead us to a deeper mess and to the borders of China." Senator Church is a member of the foreign relations committee which will meet today for the second successive day to consider the Cambodian situation and give the presidential speech its first thorough scrutiny.

Mr. Pepin: The hon. member's argument does not make much sense.

Mr. Nystrom: I see the Minister of Industry, Trade and Commerce (Mr. Pepin) is again interjecting. May I remind him that all people of his generation do not look on the Viet Nam war as he does. The leader of my party, the hon. member for York South (Mr. Lewis) and many Senators of the United States and members of Congress have spoken out against the United States policy in Viet Nam. I am sorry the minister cannot see it this way. If he did, perhaps he might influence his leader and the Secretary of State for External Affairs to adopt a different position in this whole matter.

Mr. Pepin: If it is a question of age, lets get the age of everybody who has spoken on the subject.

Mr. Nystrom: May I continue? The committee to which I referred will also consider a proposal by Senator Church and Senator John Sherman Cooper that would cut off funds for American military or civilian personnel in Cambodia and also ban the furnishing of military aid to the new Cambodian government. Senator William Proxmire called the President's decision a tragic mistake and said, "We are going into the same sad mistake that we went into in Viet Nam." I could quote many statements showing that both Democrats and Republicans in the United States Congress condemn the action of President Nixon.

This brings me to a number of reasons as to why we as Canadians and Canadian parliamentarians ought to be concerned about what is happening in Viet Nam. It appears that the President of the United States once again has listened to his generals and sent troops into Cambodia. His troops now are 20

miles inside the Cambodian border. We ought to be concerned, because this is a threat to the peace of the entire world. This type of activity in my opinion will only escalate the war which has gone on long enough in Southeast Asia. It will spread the war and proliferate it, in the real sense of the word. It will invite extra participation on the part of countries outside Cambodia. It may well provoke the Chinese government to send more arms and even troops into both Viet Nam and Cambodia.

By intervening this way in Cambodia, the United States are risking the escalation of the war. Any country in the world, regardless of its political affiliations or alliances, I believe will speak out against outside intervention in the affairs of Cambodia and Viet Nam on the part of the Americans, the South Vietnamese, the North Vietnamese or any other country. We must look at new methods of solving these problems, because if we continue with this process of escalating the war we are only inviting disaster. The war will spread from Indo-China and perhaps engulf the rest of the world.

My second reason for being concerned and for saying that Canada should take a stand and act is that whether we like it or not we are involved with the United States. Canada and the United States participate in a defence-sharing agreement under which each and every year we send millions of dollars worth of equipment to the United States. We are involved because we are part of NATO and NORAD, and we are very much involved with the American way of life. Whether we like it or not, the United States controls a huge portion of our economy and much of our lives. For these and other reasons I believe we are obligated to tell the United States that its latest moves in Indo-China are wrong. They are wrong in intervening in Cambodia. Their actions in Viet Nam and Cambodia are wrong from a political and moral standpoint.

The defence-sharing arrangement we have with the United States makes us party to what has happened in Southeast Asia. In 1969 we sold $600 million worth of defence and military equipment to the United States. In 1964, five years earlier, we sold $161 million worth of such equipment to them. In 1969 there were about half a million troops in Viet Nam, and in 1963 there were about 23,000 troops there. As you can see, our sales of military equipment to the United States have gone hand in hand with the increase or escalation in the Vietnamese war.

Mr. Pepin: Would the hon. member tolerate a question?

Mr. Nystrom: I will tolerate a question as soon as I have finished my remarks, if the minister does not mind. Much of the equipment that goes to the United States is used directly in the war in Viet Nam, and the equipment that is not used there directly contributes indirectly to the entire United States military offensive. For reasons like these we must be concerned; for reasons like these we must speak out. We must end our complicity, if you can call it that, in the matter of Viet Nam as soon as possible.

The main thing we must be concerned about, as I have already said, is the real possibility that the latest United States activity in Cambodia will escalate the war to embrace the whole of Indo-China. For years the people of Viet Nam have been dominated by foreign powers, by the Japanese, by the French and now by the United States. What is happening in Cambodia today is a natural extension of the war in Viet Nam. That is why we must try to end it as soon as possible.

The leader of my party outlined a number of things that have been happening in Cambodia. He told us that the head of state of Cambodia, Prince Sihanouk, was out of the country visiting Moscow and Peking when ousted. He wanted to ask the Soviet Union and China to protest to North Viet Nam and ask for North Vietnamese troops to be pulled away from his borders. It was while he was out of the country that these events occurred. Many people have said that there may be a strong possibility that the government of Cambodia was nothing more than a puppet of the United States. The United States recognized the new regime in Cambodia only hours after the ousting of Prince Sihanouk. A few weeks later the action we are speaking of occurred.

I should like to make a few more comments about what has been happening. When making his announcement last night to the United States people, the President justified this new American action by saying that it is justified and necessary because, "This will bring to a quick end the war in Viet Nam." Apparently this is a necessary type of activity which will save the lives of U.S. soldiers in Viet Nam today. May I suggest that this is nonsense and sheer hypocrisy. If we look at the history of the Viet Nam war we find that the United States authorities have always justified any escalation in this way. They have always said, "If we want to bring real order

and peace to Viet Nam, we must escalate the war. We must do this if we are to bring about democracy and peace there."

• (5:20 p.m.)

We must also remember something else which is important. It has been referred to here today. When the Americans are moving into Cambodia and attacking some of the Vietnamese sanctuaries, they are not attacking a fort, a big holdout, road or something of this nature; they are attacking a guerrilla or commando headquarters. As soon as the Americans come in, the tendency is for the Communists to establish new headquarters a few miles away. This is the history of the war in Viet Nam. It is one of the reasons why the war is becoming so complicated and involved and why it is increasingly difficult for the Americans to withdraw.

They say they are only going in for six weeks or two months. If they go in at all the chances are they become entangled and will remain in Cambodia for a long time. It is just not possible to go in and wipe out guerrilla headquarters in one march or offensive. Because of that there will probably be a real escalation of the war in Viet Nam and Cambodia. This is something we should not tolerate. We should speak out against it as strongly as we can and as soon as possible.

The President justified the latest American step in the intervention in Cambodia by saying that the United States had to do this because they did not want to become a second-rate power. They do not want to suffer their first defeat in 190 years as a nation. This type of attitude and national pride by any nation really frightens me. This type of ultra-nationalism and national pride has led to many wars in the past. A gentleman in Germany between 1935 and 1939 justified many of his activities because of national pride, necessity and democracy.

We cannot sit idly by and let any country, whether it is the United States, the Soviet Union or China intervene in small countries because it might hurt their national pride or inflict a bad image on the president of their country in the world community. As the leader of my party suggested, this type of move would help destroy the credibility of the United States among the countries of Southeast Asia and many other countries in the third world. It will not improve the credibility of the United States.

The President's statements of national pride should be of concern to each and every one of us. When the Americans intervened in Cambodia they did not consult the government of Cambodia. This has already been pointed out in the House. Passages have been read from newspaper articles quoting diplomats in Cambodia saying they did not ask for help from the United States; they did not ask the United States for armed intervention. This type of unilateral activity or declaration can be very, very dangerous.

This leads me to the conclusion that there are a number of things we as a country should be doing to try to bring about an end to the terrible crisis in Southeast Asia. We cannot sit idly by while countries on many different sides of the camp, either Communist or non-Communist, are intervening in another country. We have a responsibility to speak out as loudly and as clearly as possible. Canada is greatly respected in the world community, but Canada cannot end the war by herself. No one can end the war by himself. However, we can play a leading part in a great movement to end the war in Viet Nam and in turn bring peace and security to the people of Southeast Asia.

We have to intervene and speak out on behalf of the Canadian people from coast to coast as well as on behalf of mankind in general. Canada must tell the United States that it is wrong in intervening in Cambodia. They must tell the North Vietnamese and the Viet Cong the same thing. They must call on all belligerents to talk this over immediately. Canada must tell the United States to withdraw from Viet Nam immediately. Canada should discontinue its defence-sharing arrangements with the United States. As long as we are sending them ammunition, defensive and offensive materials, we are partisan; we will not be taking an unbiased attitude in the war in Viet Nam. Through the United Nations we must do all we can to bring about a peaceful settlement of the war in Viet Nam. Today mankind has built the weapons and has the technology to destroy itself. The sad thing about the situation is that we live in a state of international anarchy. We do not have an international organization with any real power, influence or sovereignty that can solve problems such as this.

I appeal to the government to do all that is possible to convince the Americans to withdraw from Cambodia and Viet Nam and to do the same with respect to other countries involved from the outside. Everyone in this country must speak out. If they do not, the war cannot help but escalate and become more and more serious each and every day.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I propose only to add a footnote to the eloquent and effective statements of our views on this crucially important matter that have already been expressed in this House by the hon. member for York South (Mr. Lewis), by my leader and by the hon. member who has just spoken. I want to devote my few remarks to denying the canard that is sometimes put about regarding criticism and condemnation of American intervention in Southeast Asia. The latest phase of it is the invasion of Cambodia. In so doing, we in this party are often referred to as anti-American, inspired by some hostility toward the United States of America. The reverse is true.

For the approximately eight years I have been a member of this House I have had the honour to be one of my party's spokesmen on external affairs. I have always recognized that the intimacy of our relations with the United States makes it one of our first interests to maintain friendly relations with that country and to be concerned with her interests. What is in the interest of the United States? Has it been in the interest of the United States to have this disastrous involvement in Southeast Asia? I think clearly not. We have consistently spoken of this intervention as a ghastly mistake. Surely the facts have fully justified our stand. Thousands of lives have been thrown away. People have been devastated. Billions of dollars have been poured down the drain. To what end? We said this was wrong then, and we say it is wrong now. We will continue to say it is wrong.

It is time for the friends of the United States to speak up in clear tones and not in any form of quiet diplomacy. The nature of the American commitment to the war in Southeast Asia is such that it is open-ended; it never ends. It is always a good military argument to go a step further and give another turn to the wheel of escalation. That has always been a good military argument, and always will be. However, there is no end to the process unless you start doing the opposite, that is, stopping what has gone on.

The most heartening aspect of this whole matter has been the growing body of American opinion, and to some extent even official opinion in the United States Congress and Senate, about this involvement. This is the time for the voice of mankind, whether it be American, Canadian, European, Asian or African to issue the united call to end the tragedy that threatens to engulf the whole world.

[*Translation*]

The Acting Speaker (Mr. Béchard): Pursuant to Standing Order 26 (13), I am satisfied that the debate has been concluded. Therefore, I declare the motion carried.

[*English*]

At 5.32 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 4, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

MANPOWER

STATEMENT ON STUDENT SUMMER EMPLOYMENT PROGRAM

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, a little over two months ago I reported to the House briefly on the results of the student summer employment program conducted last year by my department. Today I wish to tell the House some of the things we are doing, and will be doing, to help ensure equally encouraging results this summer.

As hon. members may know, a National Committee on Student Summer Employment has been set up to co-ordinate efforts in this field. It is made up of the Association of Universities and Colleges of Canada, the University and College Placement Association, the Canadian Chamber of Commerce, the Economic Council of Canada and my department. This committee, in co-operation with other interested groups such as labour bodies, provincial governments, business and industry organizations, farm groups and student groups, has been working throughout the winter and spring to see that every effort is made to find jobs this summer for students.

Some hon. members will have total and immediate recall of the importance and urgency of obtaining suitable summer employment as a means of providing for college or university tuition fees and other costs. Some others, although obliged to cast a little farther into the mists of time, will, I am sure, be able to sympathize with the desire of young people to work in order to finance next year's college or university term.

In my last report I outlined the success of last year's campaign which resulted in some 93 per cent of nearly 350,000 post-secondary students who sought work being successful in obtaining it. This summer, we estimate that some 385,000 students who are, or will be, enrolled in post-secondary institutions will be on the labour market looking for jobs. Over all—taking both secondary and post-secondary categories—we expect that approximately 641,000 students may be seeking employment this summer, an increase of 60,000 over last year.

My department is mobilizing its resources to assist students in search of summer employment. As a part of this effort we will be hiring some 570 students to take part in placement and referral operations and in other departmental work across Canada. In this connection, I might say that student help engaged by my department last year was most effective in contributing to the success of the employment campaign. My department as a large employer of students for summer work has expressed complete satisfaction in the type of services rendered and we are in a position to recommend a similar course to other employers.

The federal government will this summer be taking on at least 11,365 students throughout the various departments and agencies. This represents a 27 per cent increase in the number hired in the past two years. These students will earn some $12,242,000, an average of more than $1,000 per student. I want to emphasize that this employment is in no sense a make-work program but that useful and effective work is performed by the students. Because of the very large numbers of students who will be seeking employment, federal government hirings will necessarily be limited to students either entering or already attending post-secondary institutions.

In addition to providing employment for more than 11,300 students the federal government, through my department, is allotting $260,000 for a national advertising campaign designed to enlist the support of employers in providing jobs for students.

• (2:10 p.m.)

Canada Manpower Centres across Canada are offering their services in assisting students to obtain summer work and are working closely with employers in compiling inventories of appropriate employment opportunities. Of the approximately 570 students to be employed by my department, 375 students will assist our regular staff in developing employment opportunities for students and

in providing consultative assistance to students interested in starting selfhelp or entrepreneurial projects.

This year, as well, the Canadian Chamber of Commerce is making an important contribution to the campaign by encouraging its 125,000 members to provide productive summer jobs to students registered with Canada Manpower Centres. My department has appointed five regional co-ordinators whose special assignment will be to ensure the effective functioning of the campaign in each region.

I should like to emphasize that if we are to match last year's successful campaign a very high degree of co-operation will be required by business and industry in every sector of the economy, and by other levels of government. In this connection I might note the "Hire a Student" campaigns of a number of provincial governments and the practice of a number of newspapers of offering free advertising space to students looking for summer jobs. Summer employment for students is an old and valued tradition in our society. Today it becomes a necessary and useful exercise, both for the students and employers.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I do not know whether the minister is so proud of his statement that he could not let us have a copy until he delivered it or whether it was difficult to prepare and was not ready until the last minute before delivery. However, there are some comments I wish to make at this time.

I hope the minister will make every effort to develop a fully co-ordinated attack on the problem of student unemployment and the finding of adequate employment for students. I hope the minister receives full co-operation from other governments and from industry.

I wish to spend a few minutes to emphasize that, in addition to any program the minister may mount, it is obvious that the number of students who receive employment this summer will depend not only on his efforts and the efforts of those associated with him but upon the general employment situation in Canada. There can be no question that the general economic policy of the government, justified in the name of fighting inflation, has created unemployment across the country. A situation has been created whereby students looking for work this summer will be competing with those already seeking employment. The general state of unemployment is a very important factor, although the Minister of Manpower and Immigration did not deem it worthy of mention this afternoon.

There can be no question about the importance of summer employment for students. There can be no doubt about the reaction that will set in among young Canadians who are forced to drop out of either high school or post-high school education for financial reasons. There can be no question about the seriousness of this situation to the individuals involved and to the country as a whole. Those who are forced to drop out may never get back to anything like as advantageous a position. So I urge the federal government to review its general policy with a view to increasing the opportunity for students and others to secure employment in Canada this summer.

In addition to special programs such as he has announced the minister should set in process machinery for determining to the fullest extent possible how many students are affected and how many will be unable to obtain employment. He should obtain this information in good time so that in consultation with the provinces measures can be taken to reduce to a minimum the number of students who will have to drop out of school because of unemployment.

I do not want to be unfair to the minister personally, but I suggest that in the circumstances, and given the outlook facing us, he has made a highly complacent statement this afternoon.

Mr. Lorne Nystrom (Yorkton-Melville): First, Mr. Speaker, I want to thank the minister for having given me a copy of his statement. I might say that in future I would appreciate getting such statements before he begins to make them instead of two or three minutes after he has started.

My first impression is that the statement is highly optimistic, that he did not present the real problem of student unemployment this summer. An article in the Toronto *Star* last Saturday drew attention to the prospect of serious student unemployment in Ontario this summer. Failure of a student to obtain a job this summer may mean inability to continue his studies, and his dropping out of school or university.

There is a special problem to be faced in areas already suffering from economic depression—the prairie provinces, Saskatchewan in particular, the Maritimes and the rural parts of Quebec. Many of these areas are not

able to provide as many jobs for students this summer as they did last year or the year before. The government should take this into consideration and try to work out special programs applicable to these regions. They will need special attention this summer if even a small proportion of the students concerned are to find full-time summer employment.

In the second place, I believe the government should co-ordinate its student employment program as closely as possible with the plans of the provinces. This is of particular importance in the case of Saskatchewan, the Maritimes and Quebec. Last year, even though 93 per cent of the students concerned did find summer employment of some kind it was not, in all cases, full-time employment at a good wage. Just because a student has a job does not mean it will provide sufficient income for him to return to school again. This observation applies particularly to girls who in many cases cannot get jobs which pay wages as high as some of the men can command.

Finally, the whole question of student employment is very much a part of the government's over-all economic and financial policy. Also, it must not be forgotten that there are young persons who are not students and who also need to find employment. Forty per cent of the unemployed in Canada are under the age of 25, and this situation must be borne in mind when we examine any of the plans which the minister may produce.

• (2:20 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, according to the minister, there may be about 641,000 secondary and post-secondary students looking for a job this summer.

The Department of Manpower and Immigration will hire about 570 students to take part in placement and referral operations, whereas various government departments and agencies will enlist 11,305, on a total of 641,000.

Mr. Speaker, the matter of summer employment for students is a most urgent and serious one. If we do not take steps to provide them with work during the summer months, they will find themselves something else to do. Of course, this is not the sole concern of the central government. Provinces, municipalities, school boards and private enterprise can also co-operate. We have been told that the Chambers of Commerce are now looking into this matter.

In my region, for example, the mining companies hire local students during the summer months. The Noranda mine, for one, had between 1,000 and 1,200 students on the payroll last year, but this year they have decided to hire only some 200.

I believe that the government could provide some incentives for private industry in order that students be given summer employment. If the government were to co-operate, I think that many private companies would hire young people. Even if that were to cost something to the government, it would still be less expensive than leaving our youths to their own devices or to activities of which no one approves.

Mr. Speaker, summer employment for students is a very serious problem and I am convinced that the government, with the full backing of the opposition parties, should suggest to the provinces that they tackle this issue so that as many students as possible will find summer jobs.

We have but one wish, Mr. Speaker: that action be taken in order to assure our youths that they will enjoy some security thanks to the summer jobs that will be found for them.

[*English*]

EXCISE ACT

Hon. Donald S. Macdonald (for the Minister of National Revenue) moved for leave to introduce Bill C-209, to amend the Excise Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

STUDY OF POSSIBLE SALE OF POLYMER SHARE CAPITAL

Question No. 423—**Mr. Fortin:**

1. Has the government studied, will it study, or is it studying the possibility of selling all or part of the share capital of Polymer Corporation and, if so, will it table these studies in the House?

2. Who conducted, or is conducting, the studies concerning the total or partial sale of Polymer Corporation?

3. Was Polymer Corporation exempted from the provisions of the Government Companies Operation Act and, if so, for what reasons?

[*Translation*]

Hon. James Richardson (Minister of Supply and Services): 1 and 2. The government

has approved some diversification of Polymer Corporation activities and as a consequence the company is studying methods of financing the diversification program. The company will be submitting proposals for financing to the government for consideration.

3. Yes. Polymer Corporation Limited is in keen competition with publicly owned companies throughout the world and it is essential for its continued success that it be free to act quickly in response to changing business conditions and have the same relative freedom of action as its competitors.

[*English*]

ROLE OF CANADIAN GOVERNMENT EXHIBITION COMMISSION IN INFORMATION CANADA

Question No. 1,227—**Mr. Francis:**

Is it the intention that upon transfer to Information Canada, the Canadian Government Exhibition Commission will maintain its own separate identity and continue to play its role for the federal government both inside and outside of Canada?

Hon. Robert Stanbury (Minister without Portfolio): Yes.

APPLICATIONS OF RAILWAY AND HOTEL COMPANIES STILL UNDER REVIEW—LABOUR (STANDARDS) CODE, PART I

Question No. 1,356—**Mr. Orlikow:**

1 How many applications of Railway and Hotel Companies who applied for deferment and for suspension of Part I of the Canada Labour (Standards) Code are still under review?

2. When were these applications made to the department?

3. How many workers are covered by each of these applications?

4. What are the reasons for the applications for deferment still being under review by the department?

5. What is the date when the department expects to have settled all these cases which are under review?

Hon. Bryce Mackasey (Minister of Labour): 1. Thirty eight; 36 for deferment and two for suspension.

2. The applications for deferment were made prior to July 1, 1965. One application for suspension was made on July 20, 1965; the other application for suspension was made on February 21, 1966.

3. Information not available.

4. The applications are still under review because, to date, the department has been unable to find ways and means of disposing of them in a satisfactory manner in view of the circumstances prevailing in the industries concerned.

5. At this time it is not possible to anticipate when decisions can be made on the applications.

STUDIES BY LEASCO SYSTEMS AND RESEARCH CORPORATION, BETHESDA, MD.

Question No. 1,511—**Mr. Howard (Skeena):**

1. Has LEASCO Systems and Research Corporation of Bethesda, Md. been engaged to conduct any studies or inquiries of systems and procedures within the government service and, if so (a) what amount of money will be expended for these studies and inquiries (b) how long is it expected to take the study or inquiry to be completed (c) will the report thereof be made public?

2. For what reason was it considered necessary to employ the services of a United States company to conduct this sort of study?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. No.

2. Not applicable.

FEDERAL ASSISTANCE TO McCAIN FERTILIZER PLANT, GRAND FALLS, N.B.

Question No. 1,669—**Mr. Corbin:**

Has the federal government granted a subsidy or made a loan to the McCain Fertilizer Plant in Grand Falls, New Brunswick and, if so (a) what is the amount of the subsidy or loan (b) under what terms was this financial help made?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): No.

CANADIAN CONTRIBUTION OF WHEAT AND FLOUR TO FOREIGN AID

Question No. 1,674—**Mr. Mazankowski:**

How much wheat and flour in (a) bushels (b) dollar value, did Canada contribute to foreign aid in the past fiscal year?

Hon. Mitchell Sharp (Secretary of State for External Affairs): During the fiscal year 1969/70, Canada contributed, through her international development assistance program, the following amounts of wheat and wheat flour: (a) Quantity: Wheat, 748,697 metric tons equivalent to 27,509,373.871 bushels; Wheat Flour, 105,675.112 metric tons equivalent to 5,411,214.6 bushels of wheat based on 72 per cent extraction. (b) Value: Wheat, $56,950,-

682.04 (FOB Canadian seaport); Wheat Flour, $11,978,953.72 (FAS Canadian seaport).

EXPROPRIATION AND REMODELLING OF TRANSPORTATION BUILDING, OTTAWA

Question No. 1,682—**Mr. Harkness:**

1. (a) When was the Transportation Building, at the corner of Rideau and Sussex Streets, Ottawa, expropriated (b) for what reason was the building expropriated?

2. What was the cost of remodelling this building?

3. What has been the total cost per square foot of space for this building?

4. What was the cost of the new furnishings which were put in this building for the use of the National Capital Commission?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): In so far as the National Capital Commission is concerned: 1. (a) Expropriated August 26, 1965; (b) redevelopment of Confederation Square area.

2. $447,892.

3. $1.43 per square foot per year on a projected five-year occupancy or $0.72 on a 10 year basis.

4. $221,300 was paid for furnishings which also serve to eliminate the need for internal partitions and increase building capacity.

ASSISTANCE FOR THE PROVISION OF SERVICES AND UTILITIES—SPECIAL AREAS

Question No. 1,716—**Mr. Moores:**

1. Does assistance for the provision of services and utilities to the special areas include (a) provision of dial telephone service (b) the building of access roads?

2. Where and when does the Department of Regional Economic Expansion intend to open offices in the Province of Newfoundland?

3. How many people will be employed by the Department in Newfoundland?

4. What steps will be taken to ensure that as many Newfoundlanders as possible will be employed by the Department within the Province?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. (a) No; (b) yes.

2. St. John's; already open.

3. Nine.

4. The Director is a native Newfoundlander. The Public Service Commission's interviews for other positions are being conducted partly in Newfoundland.

Orders for Returns

QUESTIONS PASSED AS ORDERS FOR RETURNS

FINANCIAL AND PERSONNEL ADMINISTRATION EMPLOYEES

Question No. 568—**Mr. Benjamin:**

1. For the years 1955, 1960, 1965, 1966, 1967, 1968 and 1969, how many (a) financial administration (b) personnel administration people were employed by each government department and agency, and for each group, how many are in the following annual salary groups (i) under $5,000 (ii) $5,000 to $10,000 (iii) $10,000 to $20,000 (iv) $20,000 and over?

2. What individuals who had worked for the Glassco Commission are now employed by departments or agencies of the Government of Canada, and in each case, what is their annual salary?

Return tabled.

PROSECUTIONS FOR VIOLATIONS OF THE COMBINES ACT EXCEPT UNDER SECTION 33(c)

Question No. 1,317—**Mr. Orlikow:**

1. In the past ten years, in how many cases did the government charge and prosecute companies for violations of the Combines Act except for cases under Section 33(c)?

2 In each case (a) what were the names of the companies involved (b) what were the names of the companies found guilty when prosecuted (c) what were the penalties imposed by the Court?

3. What were the costs to the government of investigating and prosecuting the above cases, exclusive of the salaries of permanent government employees, but including fees paid to lawyers, court reporters and other officials, travelling expenses for officers of the department, cost of transports, etc.?

Return tabled.

SUBSIDY PAID TO SHIP CONSTRUCTION INDUSTRY 1960-1969 INCLUSIVE

Question No. 1,495—**Mr. Robinson:**

What was the total subsidy paid to the ship construction industry during each year 1960 to 1969 inclusive?

Return tabled.

CANADA'S GROSS AND NET DEBT

Question No. 1,498—**Mr. Caouette:**

For each year since 1960, what are the statistics concerning (a) Canada's gross and net debt (b) the gross and net debt of the provinces (c) the gross and net debt of the municipalities (d) the gross and net debt of the school corporations (e) the gross and net debt of the Crown corporations (f) Canadians' debts to finance companies for consumer goods (g) Canadians' debts for the purchase of commercial goods (h) Canadians' debts on mortgage loans (i) Canadians' debts to banks and

caisses populaires for personal loans (j) Canadians' debts due to installment buying (k) Canadians' debts to small loan companies (l) Canada's total debt to the United States (m) Canada's total debt to overseas governments?

Return tabled.

ORAL QUESTION PERIOD

FEDERAL-PROVINCIAL RELATIONS

ALLEGATION RESPECTING ATTITUDE OF PROVINCIAL PREMIERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the seriousness and importance of the charge the Prime Minister made over the weekend that the equivalent of blackmail has sometimes been resorted to too often in the past by the province of Quebec and sometimes by other premiers of other provinces, I should like to ask the Prime Minister to which premiers he was referring?

Mr. Speaker: Order, please. I doubt very much that a question asked in those terms is in order. I have some doubts about it. My understanding is that a question may be asked in respect of statements made outside the House to determine whether or not they represent government policy, but I am not too sure really whether the question as asked is in order.

Mr. Stanfield: On a point of order, Mr. Speaker, the Prime Minister of Canada has made a serious statement in respect of the provincial premiers generally and it seems to me it is of the greatest importance that the Prime Minister of Canada clarify this statement so that whatever slur he was casting does not fall on every premier in Canada. I suggest, with respect, that this is a matter of importance and that the Prime Minister of Canada, having made a statement like that, ought to clarify it.

Some hon. Members: Hear, hear.

Mr. Speaker: Again I have the same doubts I had previously. The point made by the Leader of the Opposition is of interest, but it seems to me that the statement the Leader of the Opposition is inviting now would perhaps be better made on a question of privilege. It seems to me that the question is not one that would normally be acceptable from a procedural standpoint.

[Mr. Caouette.]

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Is this the way the Prime Minister intends to proceed to prepare the way now for further constitutional consultations leading to reform of the constitution, and does the Prime Minister think a statement like this, without any clarification, is a proper way to prepare for the reform of the constitution?

Right Hon. P. E. Trudeau (Prime Minister): One of the proper things to do if one wants to reform the constitution in a realistic way is not to close one's eyes or ears to the fact that there has been talk in parts of Canada in respect of western separation, eastern alienation and so on. I am surprised that the Leader of the Opposition has not heard of these sentiments.

Mr. Stanfield: On a point of order, Mr. Speaker, I have heard very much of these statements.

An hon. Member: By whom?

Mr. Stanfield: Mr. Speaker, I should like to ask the Prime Minister to tell us how he believes these attitudes to which he is referring justify his charge that the premiers have resorted to blackmail.

Some hon. Members: Hear, hear.

Mr. Trudeau: Well, Mr. Speaker, in answer to the supplementary I repeat that if one wants to deal realistically with the problem of national unity one has to take such expressions as these seriously in an effort to deal with these feelings of frustration or alienation. The Leader of the Opposition now says that he has heard very much these expressions. May I ask whom he has heard them from?

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a supplementary. May I, as a member from New Brunswick, ask the Prime Minister if he was casting a slur on my province and saying we are guilty of blackmail?

Mr. Speaker: Order, please.

Mr. Bell: There was a nod of the head.

EXTERNAL AFFAIRS

NORTH VIET NAM—RENEWED BOMBING BY UNITED STATES FORCES—CONSULTATION WITH U THANT

Mr. Andrew Brewin (Greenwood): I have a question for the Secretary of State for Exter-

nal Affairs. In view of the renewed and intensified bombing raids on North Viet Nam by United States forces, will the Canadian government make urgent representations to the U.S. government deploring this latest escalation of the war in Viet Nam?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As hon. members know, it is reported that these latest air strikes against North Viet Nam are specific and retaliatory and that they do not represent a policy of the resumption of bombing. Whatever the case, we continue to be opposed to such action. We had thought that the cessation of the bombing was a fixed feature of the situation in Viet Nam. This action can only further complicate the already difficult search for a negotiated settlement.

Mr. Brewin: Would the minister say whether the government proposes to consult or has consulted Secretary General U Thant of the United Nations about the ideas which the Secretary General says he has to prevent the whole of Indo-China from being engulfed in the war?

Mr. Sharp: The hon. member may recall that during my intervention in the debate on Friday I said that I thought it might be a good idea if the Secretary General were to send a representative to Indo-China. We are exploring this idea with the Secretary General at the present time to ascertain whether he feels this would be a useful initiative. He has indicated that he has some ideas on limiting the war in Indo-China, and I have asked our representative in New York to inquire about his ideas because I agree with him that it is absolutely essential that some way be found of limiting the war in Viet Nam. Indeed, the latest developments over the weekend confirm the fears that I expressed on Friday about the possible escalation of this war.

CAMBODIA—REACTIVATION OF INTERNATIONAL CONTROL COMMISSION

Mr. R. Gordon L. Fairweather (Fundy Royal): What information can the minister give us about the progress in the last 48 hours or so in the negotiations with Poland and India on reactivating the International Control Commission?

Hon. Mitchell Sharp (Secretary of State for External Affairs): There is no progress. We have not found that our ideas are acceptable. There is some talk about a simple reactivation on the basis of some sort of argument that it would be a good thing if there were the presence of the ICC in Cambodia. We do not agree. We think that the situation is far more serious than that and that if there is going to be meaningful action by Canada, let us be sure we know what it is we are being asked to do.

[*Later:*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): Could the minister indicate to the House whether or not talks have broken off between our country and Poland and India on the question of the International Control Commission? I ask this question in light of the most depressing report today on the lack of progress in negotiations.

Mr. Sharp: The hon. gentleman knows that Poland, India and Canada are members of the International Control Commission operating in Laos and Viet Nam, so obviously we have not broken off our discussions. We are continuing them also in the capitals of those countries and with their representatives.

[*Translation*]

CAMBODIA—CANADIAN REPRESENTATIONS AT THE UNITED NATIONS

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a supplementary question to the Secretary of State for External Affairs. Does he intend to make clear in a formal way before the world, that is at the United Nations, the position of Canada with respect to the situation in Cambodia?

[*English*]

Mr. Sharp: I do not know whether the hon. member was here but I dealt with this question. I have noticed that Lord Caradon made in New York the same point as I did the other day, namely, that the Soviet Union has objected very strenuously to taking the Viet Nam war before the United Nations. Under these circumstances I am very doubtful about the prospects of success. If there were any at all, Canada would not hesitate.

CAMBODIA—ACTION ON ADVICE OF CHESTER RONNING

Mr. Lorne Nystrom (Yorkton-Melville): I have a supplementary question to the Secretary of State for External Affairs. Has he received any correspondence or communication from Mr. Chester Ronning, former Canadian diplomat who once headed the Far East division, indicating that the United

States is ignoring the rule of law and resorting to unilateral action regardless of decisions of the United Nations in the most recent Cambodian issue and, if so, what action has he taken in regard to Mr. Ronning's advice?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Like the hon. gentleman, I read Mr. Ronning's statement in the press. He has not conveyed it to me personally but he certainly intended to convey it to all Canadians. I respect his views, as I respect the views of all members of this House. I suggest it ought to be our purpose in all our actions, whether as private individuals or as the government, to work for a peaceful settlement of this dispute. The way things are going, now the risks of an even greater conflagration are very great.

CAMBODIA—EXPRESSION TO UNITED STATES OF DISAPPROVAL OF AMERICAN INVASION

Mr. J. Edward Broadbent (Oshawa-Whitby): Could the Secretary of State for External Affairs inform the House whether or not the disapproval of the Canadian government of the recent action of the Americans in Cambodia has been directly conveyed to the United States authorities and, if so, what response was there?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I think that all hon. members noticed that the debate that took place in the House on Friday was being followed very closely by the representatives of the United States government.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

INVITATION TO PRIME MINISTER TO COMMENT ON QUEBEC ELECTION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I direct my question to the Prime Minister.

Yesterday afternoon, the Prime Minister was invited by "Télé-Métropole" to speak on an hour-long television program about the recent provincial elections in Quebec. I do not always agree with the Prime Minister, but that is not the point.

Here is my question: Was the famous corporation called CBC which operates an English and a French network kind enough to invite the Prime Minister of Canada, as it is usually so eager to welcome such people as Messrs. Lévesque, Grégoire, Parizeau and Michel Chartrand?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is true that I was invited to appear on Channel 10 to talk on behalf of the Canadian government about Canada and Canadian unity. But following the attacks of the last few months against federalism the matter had to be cleared up.

The English network of the CBC also extended an invitation but none came from the French network. However, I was told this morning that two days ago they had asked me to make comments on birth control in underdeveloped countries. They are not much interested in the Canadian situation.

Mr. Caouette: Mr. Speaker, I should like to put a supplementary question. Has the Prime Minister finally finished dusting his Chinese vases?

[*English*]

THE CANADIAN ECONOMY

SUGGESTED LOWERING OF INTEREST RATE TO STIMULATE ECONOMIC ACTIVITY

Hon. George Hees (Prince Edward-Hastings): I have a question for the Prime Minister. As widespread lay-offs in the electrical, textile, footwear, rubber, radio, television and other industries have given a very clear indication that unemployment today is considerably higher than the 6.7 per cent reached in March, will the government now give consideration to having the Bank of Canada gradually lower the interest rate so that employment in this country may be stimulated by economic activity to provide the jobs needed not only for the 554,00 people unemployed in March but also for the 650,000 students who, the Minister of Manpower and Immigration told us today, will be looking for jobs this summer?

Mr. Speaker: Order, please.

Mr. Hees: Could I ask the Prime Minister to answer my question? He does not seem to be interested so I will ask him a simple supplementary question. How much higher does the government intend to push unemployment in its fight to cure inflation, to the last unemployed Canadian?

Mr. Speaker: Order.

QUEBEC—SPECIAL ACTION TO PROVIDE EMPLOYMENT

Mr. James A. McGrath (St. John's East): In view of the statement made last night by the Prime Minister-elect of Quebec that the federal government should devote special attention to provinces of low inflation and high unemployment such as the province of Quebec, may I ask the Prime Minister what special programs or special action the government has taken to cure the very serious unemployment in that province which is suffering the consequences of the government's policy to fight inflation?

Mr. Speaker: I suggest to the hon. member that he is inviting the Prime Minister or a representative of the government to make a general statement which should be made on motions.

MANPOWER

SUMMER EMPLOYMENT FOR STUDENTS—FINANCIAL ASSISTANCE MATCHING THAT OF INDUSTRY AND BUSINESS

Mr. Eldon M. Woolliams (Calgary North): May I ask the Minister of Manpower and Immigration a question in reference to his statement about students as I represent one of the university areas of Canada. In view of the fact that there are 540,000 looking for work, would the government now consider matching, dollar for dollar, assistance to students from industry, business and professional men, thus helping students obtain the money they need so they can continue their courses of study? This is a very serious problem and I mentioned it the last time I was in the House.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, it is a serious problem. There is a large body of students coming on to the labour market and we depend upon very substantial assistance from the private sector in placing them. As I mentioned, today the Canadian Chamber of Commerce is beginning its program "Operation Placement" and it is calling upon its membership throughout Canada to assist in placing over 600,000 students. This seems to me to be constructive and in line with the suggestion made by my hon. friend.

Mr. Woolliams: A supplementary question, Mr. Speaker. Would the minister be good enough to speak to the Minister of Finance and see if he could get him to withdraw the white paper on tax reform in view of the fact that it is discouraging investment and development in this nation and causing unemployment?

Mr. Speaker: Order, please. The hon. member has made a representation and he has to assume it will be taken into account by the minister.

SUMMER EMPLOYMENT FOR STUDENTS—ACTION TO ENSURE MAXIMUM WORK PERIOD

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to ask the minister a supplementary question. In view of the fact that last year's successful program still left almost 50 per cent of those students who got jobs employed for not much more than half or two-thirds of the summer, what steps is his department taking to ensure that students who need a full summer's work in order to return to university next fall will be able to get it rather than just work for part of the summer?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, we are taking the general steps that I have outlined and which proved effective last summer in obtaining employment for 93 per cent of the students who wanted it. It is true that some of the total number did not work all the months of the summer. This year we hope that the program in which we are co-operating, started by the Canadian Chamber of Commerce, will be an added feature and will help extend the period of employment. This is in addition to the heavy advertising that we have done, that provincial governments have done and that newspapers have done in an effort to build up the capacity of employers to take on a very large number of young people for a very short time, creating jobs for them. We think that all these efforts will help generally and also help the specific problem mentioned by my hon. friend.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration. Should the efforts of his department not meet with the success anticipated in finding employment for students, is he prepared to consider enlarging the scope of the grant and loan provisions so that students can return to university?

Mr. Speaker: Order, please. The hon. member will appreciate that the question is hypothetical and cannot be asked in those terms.

Inquiries of the Ministry

Mr. Saltsman: Mr. Speaker, if I might reword my question, is the minister considering reorganizing the grant and loans structure for university students?

Mr. MacEachen: Not directly, Mr. Speaker. It is a matter under the jurisdiction of the Minister of Finance.

NATIONAL PRESS CLUB

SUGGESTED CONGRATULATIONS ON ADMISSION OF WOMEN TO MEMBERSHIP

Mr. Stanley Knowles (Winnipeg North Centre): May I direct a question to the Minister of Justice, Mr. Speaker. Will the minister, in his capacity as keeper of the Canadian Bill of Rights, express on behalf of the House of Commons our congratulations to the National Press Club for having decided to recognize women?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member is making a suggestion rather than asking a question.

HEALTH AND WELFARE

SAFETY OF WATER FROM CONTAMINATED LAKES AND RIVERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of National Health and Welfare and has to do with a concern being engendered in all parts of Canada by persons who use the waters of lakes or rivers which have been placed out of bounds for fishing because of mercury poisoning and the like. Is there any danger whatever to the individual in consuming that water for drinking purposes and general domestic use? I think his assurance on this score would go a long way to remove the fears.

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I must say that at many levels of government and amongst the people generally it is agreed that many of the waters of this country are polluted and are not safe for drinking purposes. I do not think that the Departments of Health, federally or provincially, would be prepared to give any undertaking that these waters could be consumed safely.

Mr. Diefenbaker: Mr. Speaker, I would then confine my question to two particular rivers.

[Mr. Speaker.]

What about the use of water from the Ottawa or Saskatchewan Rivers? Has any examination been made?

Mr. Munro: Mr. Speaker, without checking into the matter further, at the moment I would not be prepared to give any undertaking with respect to either of these rivers.

[*Later:*]

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Minister of National Health and Welfare if he can assure the Canadian people that waters contaminated by mercury, if processed by the filtering plants normally utilized by cities, are thus guaranteed fit for human consumption?

Mr. Munro: Yes, Mr. Speaker.

YELLOWKNIFE—INDIAN DEATHS ALLEGEDLY CAUSED BY SEWAGE PLANT WATER

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, this is a supplementary and related question to the Minister of National Health and Welfare which no doubt will be of interest to the Prime Minister and the Minister of Indian Affairs and Northern Development. Has the minister received a written statement from Mr. Roy Daniels, President of the Indian Brotherhood of the Northwest Territories, alleging that polluted water coming from the sewage plant at Yellowknife was the cause of a number of deaths among both Indian adults and children during the past winter? If so, what action is the government taking to investigate and rectify this serious situation?

An hon. Member: Nobody knows.

[*Later:*]

Mr. Southam: Mr. Speaker, on a question of privilege, I had a legitimate supplementary question.

Mr. Munro: I am sorry. I missed the hon. member's question.

Mr. Southam: The question is related to the one put by the right hon. member for Prince Albert. Has the minister received a written statement from Mr. Roy Daniels, President of the Indian Brotherhood of the Northwest Territories, alleging that polluted water coming from the sewage plant at Yellowknife was the cause of a number of deaths among both Indian adults and children during the past winter? If so, what action is the government taking to investigate and rectify this serious situation?

Hon. John C. Munro (Minister of National Health and Welfare): I have no knowledge of the letter coming to my attention, Mr. Speaker, but I shall be glad to check into the matter.

CANADA ASSISTANCE PLAN

REQUEST BY ATLANTIC PROVINCES FOR ALTERATION OF SHARING FORMULA

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Is the government studying the request of the four Atlantic provinces' governments to alter the sharing formula under the Canada Assistance Act? If so when is a decision expected?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows, I met with the provincial welfare ministers last Friday. They came forward with a proposal which I said I would be prepared to take under consideration and bring to my colleagues. This proposal will need to be examined by my department for some weeks prior to bringing the matter before the whole cabinet.

AGRICULTURE

REQUEST FOR INVESTIGATION OF FERTILIZER PRICES

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have a rather urgent question for the Prime Minister in view of the absence of both the Minister of Agriculture and the Minister of Consumer and Corporate Affairs. In light of the fact that Esthol McKella, President of the Charlotteville Federation of Agriculture in Norfolk Country, has called for an investigation into fertilizer prices by the Restrictive Trade Practices Commission, will the Prime Minister assure the House that the government will commence or cause to be commenced an investigation into these very serious charges?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall take the question as notice on behalf of the Minister of Agriculture who, as the House knows, is at the moment chairing the two-day ministerial meeting of the grain exporting countries.

MANPOWER

YARMOUTH, N.S.—SERVICES TO LAID-OFF TEXTILE PLANT EMPLOYEES

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the fact that the Cosmos textile mill in Yarmouth has started its lay-offs, and in view of the fact that the minister said he would offer special services to the employees, can he tell us what these additional or special services are?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, the services that we provide are well known. They are especially geared to each situation and I am satisfied that in the Yarmouth case they will be helpful also.

Mr. Comeau: A supplementary question, Mr. Speaker. The minister spoke about special services. If he cannot give me the answer in the House, would he write and tell me what these special services are?

An hon. Member: Funeral services.

IMMIGRATION

NUMBER OF U.S. DRAFT DODGERS AND DESERTERS ADMITTED TO CANADA

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. Would the minister indicate how many draft dodgers and deserters have been allowed to enter this country?

Mr. Speaker: Order, please. The hon. member is asking for statistical information. That kind of question ought normally to be placed on the Order Paper.

PENITENTIARIES

INVESTIGATION OF OUTBREAKS OF VIOLENCE

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, may I direct a question to the Solicitor General. Is the Solicitor General in a position to inform the House whether the outbreaks that have occurred in a number of penal institutions recently are under investigation by officials of his department? I refer especially to the grievous attack on correctional officers at Dorchester Penitentiary.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the first part of the question is in such general terms that it is difficult to answer. As to the latter part, I am not in a position to advise the House fully on the subject today but am having the matter looked into.

Inquiries of the Ministry

POST OFFICE

POSTAGE RATE INCREASES FORECAST BY MINISTER—GOVERNMENT POLICY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, may I direct my question to the Prime Minister. May I also be permitted to advise him that the Postmaster General is back and making speeches.

Some hon. Members: Hear, hear!

Mr. Macquarrie: In reference to the speech he made today, may I ask if the Postmaster General is expressing government policy in these times of anti-inflationary measures when he speaks of mail rate increases to come with greater frequency than in the past and when he warns people to make allowance in their forward planning for such increases in 1971?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker. The Postmaster General is assuming, and I assume he will be right, that inflation will be licked by then.

Mr. Diefenbaker: You don't say that seriously.

Mr. Macquarrie: A supplementary question, Mr. Speaker. Can the Prime Minister also say whether the Postmaster General is expressing government policy when he says that those who do not use the postal service will not be picking up the bill for those who do? Will this odd philosophy regarding a basic government service be applied to other basic government services such as the RCMP and the CBC?

LABOUR CONDITIONS

UNEMPLOYMENT—ASSISTANCE IN CREATING NEW JOBS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, may I direct a question to the Prime Minister. In view of the Prime Minister's assurance to Mr. Bourassa of Quebec that he would help him to meet his pledge to create 10,000 new jobs in that province by the end of 1971, can the Prime Minister give a similar assurance to the Premier of Saskatchewan who in 1964 promised that 50,000 new jobs would be created within four years.

Mr. Speaker: Order, please.

[Mr. McIlraith.]

NATIONAL AND ROYAL ANTHEMS

INQUIRY AS TO INTROUCTION OF LEGISLATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Government House Leader. Since I have not bothered him on this subject for some time, could he now indicate whether we can expect in 1970 legislation dealing with Canada's national and royal anthems?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I think I can assure the hon. member now that there will not be legislation on this question before the end of the present session. It is conceivable, of course, that the legislation might be introduced in the next session.

[*Later:*]

Mr. Forrestall: I have a supplementary question, Mr. Speaker. Could the Government House Leader indicate whether the government would consider bringing in a piece of legislation to deal with the royal anthem at least, because that is not subject to the difficulties the government is encountering in securing the rights to "O Canada"?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker, I will be glad to consider that.

THE MONARCHY

COST TO CANADA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, may I revert once more to the very interesting and revealing performance of the Prime Minister on the CBC. Among other things he stated that one of the difficulties in maintaining a level of expenditures on the part of the government was the cost of the monarchy. I should like him to tell the House what he meant when he spoke of the cost of the monarchy to Canada, or was that just one of those nebulous things that was thrown in to becloud the issue?

Mr. Speaker: Order, please. I would think I have to make the same ruling about this question as I did about the question of a similar nature that was asked originally by the Leader of the Opposition. I doubt whether the question can be asked in those terms.

Mr. Diefenbaker: Mr. Speaker, could I ask it without referring to the speech? I thought the Prime Minister would like a reference to his qualities as an actor.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I do not think the answer would require much information or research. Can the Prime Minister answer? Does the monarchy cost Canada anything directly?

Mr. Speaker: Order, please. This question ought to be placed on the Order Paper.

Mr. Diefenbaker: All right.

EDUCATION

FINANCIAL SUPPORT FOR FRONTIER COLLEGE

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. In view of the excellent work Frontier College has done in educating people in the outlying regions of Canada and in view of the current cutback in funds, would the minister, as one method of increasing student employment, reconsider his department's decision not to provide the funds requested of his department by Frontier College?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, there is some misunderstanding. The Department of Manpower and Immigration is currently making a total grant of $10,000 to Frontier College. This is a doubling of the grant that we made available previously. The college was supported in the past by the Department of Labour and now will be supported by this department at that level for the time being. In addition we are increasing our course purchases from Frontier College, which we hope will be another helpful step in the direction of strengthening its valuable work.

[*Later:*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration that is supplementary to the one asked a few minutes ago by the hon. member for Oshawa-Whitby. In view of the universal agreement on the part of federal and provincial authorities that Frontier College does really good work in the field of manpower training and in view of the crisis that organization is experiencing and its request to the minister's department for a one-shot grant of $50,000 to help it over its crisis—

Mr. Speaker: Would the hon. member kindly ask his question?

Mr. Orlikow: Could the minister give further consideration to granting the amount requested by Frontier College?

Mr. MacEachen: Mr. Speaker, naturally I would be glad to consider any suggestion, but my commitment to consider should not be regarded as an indication that the decision might be favourable.

EXTERNAL AFFAIRS

REPRESENTATIONS TO DENMARK RESPECTING ATLANTIC SALMON

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. Can he indicate whether Canada took a negative position against Denmark's involvement in the North Atlantic salmon harvest? Also, would he be prepared to table the contents of the message forwarded to that nation?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman is right in assuming that we are opposed to the sort of action that Denmark has been taking. I do not think it would be in accordance with established practice nor good for relations between countries to table the note. I might perhaps be able to table a summary of the representations as I have done in other cases.

CO-OPERATION WITH UNITED STATES REGARDING POLLUTION OF ALASKAN COAST

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. I thank the minister for his co-operation on that matter. In view of the question he took as notice last week, could he indicate whether Canada is involved in experimentation and investigation, with United States authorities, in regard to the pollution of the Alaskan coast?

Mr. Sharp: Mr. Speaker, I have asked the department to inquire but have not received a reply yet.

CANADA PENSION PLAN

EXEMPTION OF OLD ORDER MENNONITES

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a question to the Prime Minister. In view of the very friendly and successful meeting he held with the Mennonite representatives in Winnipeg, is he prepared to reconsider their request that Mennonites be granted exemption from the provisions of the Canada Pension Plan?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think this question was sub-

stantially discussed with them and an answer was given to them at that time or in writing in the days which followed the meeting. I can only remind the hon. member that it was not all the Mennonites who were requesting this. It was, I believe, a very small sect of them on behalf of whom the ones I met were talking. They were making representations on behalf of a much smaller group.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—LONG-TERM EFFECTS

Mr. Paul Yewchuk (Athabasca): My question is directed to the Prime Minister. Was the Minister of Agriculture stating government policy when he indicated he believed that the Lift program, which basically asks the farmers to give up one year of income, would have beneficial long-term effects?

Mr. Speaker: Order. The hon. member is seeking to confirm whether a statement made by a minister expressing an opinion or a belief, does in fact represent government policy. I have some difficulty considering this as a question which can be accepted procedurally. The hon. member might like to rephrase the question.

Mr. Yewchuk: I will try to rephrase the question, Mr. Speaker. Will the Prime Minister indicate whether he agrees that the principle of asking a farmer, through the Lift program, to give up one year of income is now government policy?

Right Hon. P. E. Trudeau (Prime Minister): No, it is not, Mr. Speaker. I am afraid the member does not understand the policy.

Mr. Yewchuk: I rise on a point of order, Mr. Speaker. A couple of nights ago the Minister of Agriculture indicated on television that he felt the Lift program, which basically asks the farmer to give up one year of income, will have beneficial long-term effects for the farmers involved. Does the Prime Minister agree with this?

Mr. Speaker: I had the impression this would be a supplementary question by the hon. member. I did not want to complicate matters. This is why I allowed the question. I was not sure if the hon. member was satisfied with the reply he received and a further supplementary question was allowed.

[Mr. Trudeau.]

[*Later:*]

Mr. Yewchuk: Mr. Speaker, I want to try another supplementary. In view of the fact that the Minister of Agriculture has expressed the view that the Lift program, which asks the farmer to give up a year of income, will have beneficial, long-term effects, would the Prime Minister and his colleagues, as a show of faith in these people, be willing to give up one year of their income to see whether that will have beneficial long-term effects?

Mr. Trudeau: I repeat, Mr. Speaker, the hon. member obviously does not understand anything about the whole Lift program. The object is not to have the farmer give up a year of income but to have him curtail his production for a year and receive compensation. It is only $100 million we are offering. I know this is only crumbs to the opposition; however, we think this is an important contribution to the farmer.

Some hon. Members: Hear, hear!

[*Translation*]

MANPOWER

STUDENT SUMMER EMPLOYMENT PROGRAM—GRANTS TO PRIVATE INDUSTRY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the Minister of Manpower and Immigration.

The minister has announced today his plan to help students during the summer months. Is he ready to grant subsidies or provide incentives to private enterprise, in order to encourage the hiring of students during the holidays?

[*English*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, the Canadian Chamber of Commerce, in a very public spirited program, has undertaken the commitment on its own, without subsidy, to encourage employers to take on over 600,000 students this summer. I think that this is the best way to proceed at this time. I hope the response among employer members across the country will be as effective as if we came forward with a subsidy program for them.

DRUGS

INQUIRY AS TO REPORT OF LE DAIN COMMISSION

Mr. Robert McCleave (Halifax-East Hants): I have a question for the Minister of Nation-

al Health and Welfare. Has the Le Dain Commission report been received yet?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker.

ROYAL CANADIAN MOUNTED POLICE

CONFISCATION OF LITERATURE BELONGING TO U.S. CITIZENS RETURNING FROM CUBA

Mr. Lorne Nystrom (Yorkton-Melville): I have a question for the Solicitor General of which I have given him notice. In view of the fact that in Montreal on Friday the RCMP confiscated a large quantity of personal documents belonging to United States citizens who recently returned from Cuba, and in light of the fact that this baggage had already been cleared by customs in Saint John, can the minister say whether he has investigated this situation? If so, can he explain to the House why this action was taken?

Hon. G. J. McIlraith (Solicitor General): Yes, Mr. Speaker. I first want to thank the hon. member for having given me notice. Unfortunately it was only received after the bell rang at two o'clock today, so I have not a full answer.

Some hon. Members: Oh, oh!

Mr. McIlraith: In any event, I had looked into the matter and the situation is this. When the persons referred to by the hon. member entered the country, they failed to declare approximately 600 packages of literature. This literature was subsequently seized in Montreal under the authority of the Customs Act. It has not been confiscated. It is under seizure under the Customs Act. After it has been examined to see whether it is in contravention of the law, it will be dealt with either by way of confiscation or return.

Mr. Nystrom: A supplementary question, Mr. Speaker. Can the minister give assurance that this baggage will be returned to its owners?

Mr. McIlraith: No, Mr. Speaker. If this literature is in the country contrary to the laws of this country, it will not be returned.

Mr. Speaker: Orders of the day.

• (3:10 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—NON-CONFIDENCE MOTION—CONSIDERATION OF INCREASE IN OLD AGE PENSIONS AND VETERANS' PENSIONS AND ALLOWANCES

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That this House calls upon the government to give consideration to an immediate and substantial increase in the basic amount of the old age security pension and in veterans' pensions and allowances, and this House also urges that still further steps be taken to improve the quality of life of all our older and retired people.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I rise on a point of order before the debate on this motion commences. It was agreed among the House Leaders that today would be an opposition day and that the motion would be put by the New Democratic party. However, it was not agreed that it would be a non-confidence motion. Although notice was given by the hon. member for Winnipeg North Centre (Mr. Knowles) that he was bringing such a motion, there was no agreement to that effect.

In the past we have proceeded on the basis that a non-confidence motion was the prerogative of the official opposition unless there was agreement to the contrary. I understand there has been discussion among the House Leaders concerning this particular matter, but that no agreement has been reached. In the absence of our House Leader, who is currently away on official business, I rise to give notice that the procedure today should not be considered as a precedent.

There is also some doubt whether the nature of this motion can classify it as a non-confidence motion under Standing Order 58(9) or whether it should more properly come under Standing Order 58(11). The subject matter of the motion is worthy of debate and discussion in this House. We do not oppose proceeding with the debate at this time. I merely rise to file a caveat that a similar procedure in the future will have to be by way of agreement.

Mr. Stanley Knowles (Winnipeg North Centre): At this point, Mr. Speaker, I wish to offer a comment on the point of order raised by the hon. member for Parry Sound-Muskoka. I recognize that all he is seeking to do

is enter a caveat; that he does not object to the House proceeding today with this motion. I am afraid I must enter the counter caveat that the rule does not say that all non-confidence motions are the prerogative of the official opposition.

It is true that all the non-confidence motions moved since the new rules came into effect have been in the names of hon. members of the official opposition. We have contended both last session and this session that in view of the relative size of our party compared with that of the official opposition we should be entitled to at least one of the six in the course of each session. We have endeavoured to arrive at this understanding by agreement, but agreement has not been possible and, this day having been assigned to us, it being the last of the six in this session, it seems to me it is our right to ask that this motion of ours be one of non-confidence.

As the hon. member who has just spoken knows, I made it clear to his party on Friday morning that it was our intention to file this motion and ask that it be one of non-confidence. While I am prepared to take part in further discussions, I enter this present statement as a counter caveat to the caveat put on record by the hon. member for Parry Sound-Muskoka (Mr. Aiken).

Hon. Donald S. Macdonald (President of the Privy Council): In order to make the government's position clear, may I say that the practice followed has been for myself, as leader of the House, or my representative from time to time to indicate which of the sitting days should be considered as an allotted day for the purpose of Standing Order 58. I have not assumed responsibility for deciding which of the days should be taken up by which of the opposition parties, nor which of the days was to be regarded as a day for putting forward a motion of non-confidence. On this basis, I was not privy to discussions regarding the use to be made of the day between hon. members opposite. I merely gave an indication that Monday would be an allotted day.

It might be of some assistance in this regard if Your Honour could indicate whether, in your view, this motion does in fact constitute a motion of non-confidence or not. In itself, the wording might just commend itself to some of my hon. friends on this side of the House. But, of course, they would not feel obliged to vote for it if the effect would be to cut the government's throat. So it might be useful if Your Honour could rule whether

[Mr. Knowles (Winnipeg North Centre).]

or not a motion purporting to be under the terms of Standing Order 58 (9), while not expressing in its terms any want of confidence in the government should be regarded as a motion under that part of the Standing Order or whether, rather, it should be regarded as a motion under Standing Order 58 (11) which is the one providing for motions other than non-confidence motions, motions in connection with which debate would expire at ten o'clock rather than be put to the vote.

Subject to this reservation, the government takes no position one way or another on the point of order. Nevertheless, if these questions are to mean anything, if they are to be the occasion for more than a ritualistic battle, it would seem to me that non-confidence motions should be expressed in such a way as clearly to indicate non-confidence in the government. The feeling among some of my hon. friends might be that the motion before us does not fall into this category.

Mr. Speaker: Perhaps I should address myself first to the point raised initially by the hon. member for Parry Sound-Muskoka (Mr. Aiken) about which a caveat, a counter caveat and a non-caveat have been entered by the three hon. members who took part in the discussion.

I doubt very much that the Chair could intervene in this aspect of the proceedings. Obviously, the only way in which the Standing Order can be operated so as to work and make sense is to have agreement between hon. members, in this case between representatives of the parties in the House. As has been pointed out, there has been no such agreement in this case, and the hon. member for Winnipeg North Centre (Mr. Knowles) on behalf of his party has presented a motion under the terms of Standing Order 58(9). The only role assigned to the Chair in this respect relates to Standing Order 58(4) (b) which states:

> When notice has been given of two or more motions by members in opposition to the government for consideration on an allotted day, Mr. Speaker shall have power to select which of the proposed motions shall have precedence in that sitting.

Had there been more than one motion filed within the required time under the terms of Standing Order 58(9), the Chair would have had the responsibility of determining which took precedence—the motion sponsored by the Official Opposition or the motion sponsored by another party in the House. In this case I suggest I cannot go beyond what I have

before me and this motion is the one which has to be considered by the House this afternoon.

As to the second point, the point which was raised by the President of the Privy Council (Mr. Macdonald) and to some extent by the hon. member for Parry Sound-Muskoka, I suggest it would be difficult for the Chair to rule that this is not properly a non-confidence motion and to treat it as an ordinary motion under the terms of the relevant Standing Order. I have some sympathy for the point raised by the hon. member for Parry Sound-Muskoka and reinforced by the President of the Privy Council. This motion does appear, on the face of it, to be a substantive motion or even a private member's resolution; it does not indicate that by a vote hon. members would be expressing non-confidence in the government.

It seems to me I ought to remind hon. members that a number of similar motions have been before us in the past, motions which could have been interpreted as being substantive motions rather than as motions expressing want of confidence. It may well be that in future the Chair should look at this matter more closely. My impression, without having gone into the situation in detail, is that motions of no-confidence, or motions alleged to be motions of no-confidence within the terms of Standing Order 58(9) have been put to the House before, in this form, and have been considered under that Standing Order and voted upon at the expiry of the debate at 9.45 p.m. This is my impression. I would have to go over the precedents nad see whether I am right or not. In the meantime, I think this motion should be put in the terms in which it has been presented by the hon. member for Winnipeg North Centre and be considered as a motion under Standing Order 58(9).

This having been said, I should like myself to enter a caveat. The matter will be looked into a little more closely, and perhaps the next time the Chair is presented with a motion which purports to be a no-confidence motion there will be an indication on the part of the Chair that it should clearly be a no-confidence motion rather than an expression of feeling or opinion in the form of a substantive motion or of a private member's resolution such as this one appears to be. There has been some difficulty in connection with the present motion and I suggest we allow the debate to go ahead on its present basis, reserving the position both as far as the Official Opposition is concerned and as far as the Chair is concerned. It might be very useful for the House leaders to hold discussions on the subject, and the Chair will take the initiative in this regard.

Mr. Aiken: May I comment on one observation which has been made by Your Honour in connection with Standing Order 58(4)(b)? It would, of course, have been possible for the Official Opposition to have filed a counter motion under this provision so that Your Honour would have been called upon to make a decision. However, we had made an agreement that this should be a day allotted to the NDP and we did not feel that we would be carrying out our agreement if we tried to block their motion.

• (3:20 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I present this motion today on behalf of the New Democratic Party, not just as another motion on the question of old age pensions and the pensions and allowances of our war veterans; I present this motion because I believe the situation is fast becoming one of emergency and that the time has come for this House to call on the government to take action in these two fields. In view of the discussion that has just taken place on a point of order or two, I shall rearrange the remarks that I was going to make and say at this point something that I had intended as my peroration. I refer to the question of whether or not this motion really is one of non-confidence.

I quite deliberately avoided using the words "this House condemns the government" for such and such a thing because I know that there have been over the years a number of non-confidence motions, particularly in the days when there were supply motions which the opposition sought to amend, which expressed views which the government was prepared to accept; and when the government accepted those views, saying it had no objection to the motion that had been presented, the non-confidence motion lost its non-confidence character. That is precisely the reason for wording the motion in the way it has been worded. It is my hope that the government will say that it agrees with what is said in the motion. It is my hope that the government will agree that it is now time to deal with these two groups of pensions, and that it will therefore permit the House to pass the motion unanimously at 9.45 this evening.

As I say, there have been a number of instances—true, not since we changed the

rules to the six opposition days for such motions, but in the years when we had non-confidence motions attached to motions of supply—where a so-called non-confidence motion lost that character because the government accepted what was proposed therein. Therefore, I hope that the government spokesman today, when he speaks to the motion, instead of raising a point of order will welcome the fact that I did not use the word "condemn", and will welcome the fact that this motion, filed though it is under Standing Order 58(9), calls on the government to take a certain course of action.

I filed it under Standing Order 58(9) for this reason only, that if the government is unwilling to agree with the simple, clearly stated, straightforward proposition in the motion then, of course, we shall have to express by our vote non-confidence in the government, a non-confidence being felt by an increasing number of Canadians. Therefore, I hope that during the course of the day we will not have the sort of speeches we sometimes hear from members on the government side who stand up and say they agree with what is in the motion—sometimes they say that they are more in agreement with the motion than we are—but, of course, they will have to vote against the motion because it is one of non-confidence. This so-called non-confidence motion can fast become a confidence motion if the government will just agree that what is being asked for in this motion is something that the government ought to do right away.

I said in my opening sentence or two that this motion asked the House to consider the plight of our old age pensioners and war veterans, not just in academic terms, not just as though once again, as we do so often, we were having an intellectual discussion about pensions, but rather in terms of the emergency situation that has developed.

I want to give the House a few figures, but only a few, to support my contention that we are in an emergency as far as these people are concerned. However, before I do so may I point out that we have taken care of the pensions of certain other groups. For example, we have improved the pensions of retired public servants, retired personnel of the Royal Canadian Mounted Police, retired personnel of the permanent armed forces and others in similar categories. We have taken care of our own pensions, and we have done that rather nicely. We have had referred to the Standing Committee on Transport and Communications the question of the pensions of retired Canadian National Railways employees, and I hope we will get at that matter soon. If we get action in this area, I hope it will carry over to the retired employees of the Canadian Pacific Railway and others.

There are groups in our society, therefore, who have had their pension position protected or improved, and rightly so. This action has been taken in the midst of this inflationary period, this period of austerity. This is because all members of the House contend that if there is any case to be made for a measure of austerity, the last people who should suffer from it are our pensioners, whether they be retired civil servants, retired permanent armed forces people, retired Members of Parliament, those retired some years ago, or what have you.

Having done all this for all these other groups of people, I say we are being most unfair if we call upon our old age pensioners and war veterans who are recipients of pensions under the Pension Act or of allowances under the War Veterans Allowance Act to wait while we go on and on in our study of the Woods report and the white paper on that report, and in the hope that some day we will see the government's white paper on social security based on the Willard report.

I think a few figures will demonstrate that the situation is one of emergency. According to the latest figures I have at hand, which are to be found in *Hansard* for November 17, 1969, there were at that date 1,529,768 recipients of the old age security pension. At that time 785,873 of those people were also in receipt of the guaranteed income supplement; and 473,358 of those were drawing the full amount of the guaranteed income supplement.

Let me put these figures in terms of percentages. This means that 51 per cent of all our old age security pensioners, those people in Canada who are 65 years of age and over, are drawing the guaranteed income supplement, having submitted themselves to the income test that is involved. This means that those people are close to the poverty line. Of that 51 per cent of pensioners drawing the guaranteed income supplement, 60 per cent, or nearly 31 per cent of the grand total, are drawing the full amount of the guaranteed income supplement.

• (3:30 p.m.)

In order to draw the guaranteed income supplement one literally must have nothing

else. Oh, one can have $1.95 of income and still draw the full guaranteed income supplement. If one receives $2 he starts to lose. As I say, it is therefore clear that over 30 per cent of the people of Canada who are 65 years of age or over literally are below the poverty line; literally, they have nothing else. This is demonstrated because they draw the full $111.41 a month which is available to them under the old age security pension and guaranteed income supplement.

Now, let me demonstrate with another set of figures the position of these people. The present arrangement in the Old Age Security Act of a basic pension of $75 plus $30 guaranteed income supplement, subject to increases year by year as the cost of living goes up, was enacted in 1966. May I emphasize the fact that in 1966 the consumer price index—popularly known as the cost of living index—stood at 111.4. Today, in this part of 1970, the consumer price index stands at 128.9, and it is still rising. Thus, since the present basic pension figures were established there has been an increase in the cost of living of 17.5 percentage points or 15.7 per cent.

Let me repeat that from 1966, the year in which the guaranteed income supplement was brought in, to the present time there has been an increase in the cost of living of 15.7 per cent. During that period of time, however, the increase that old age pensioners have had on the basis of the supplement of up to 2 per cent per year on account of the cost of living increase has been only 6.1 per cent. That is, the $79.58 per month they received instead of $75 or the $111.41 they received if on the guaranteed income supplement instead of $105, is an increase of only 6.1 per cent. Therefore, that is a clear indication of the position of these people. Their cost of living has gone up in the period from 1966 to 1970 by 15.7 per cent and their pension has gone up by 6.1 per cent. That is the situation in respect of 30 per cent of the people of Canada who are 65 years of age or over. We are literally taking money out of the pockets of those people who make up that 30 per cent or more. Their costs have gone up by 15.7 per cent, their pensions have gone up by 6.1 per cent and they are 9.6 per cent behind. That is the same as taking $9 out of every $100 they get. Therefore, I say that the situation is an emergency one and that the time to act on it is now.

Having given these figures, may I add a few more and then I think I will be through with figures. My motion refers to two main groups, the recipients of old age security pensions on the one hand and war veterans on the other. According to the latest figures I have been able to obtain, there are 136,800 veterans drawing pensions under the Pension Act. About 29,800 survivors also draw pensions under the Pension Act and there are 83,400 who draw allowances under the War Veterans Allowance Act. It would not be correct to add those figures for a grand total of 250,000 because there is a fair amount of overlapping between the War Veterans Allowance Act and the Pension Act. I suspect, however, there are close to 200,000 individuals, either veterans or survivors—their widows and their children—who are drawing pensions under these two pieces of legislation. There have been some increases in these pensions but it is a long time since those increases were granted. There have been no cost of living adjustments in the pensions paid under the Pension Act nor in the allowances paid under the War Veterans Allowance Act.

It is true that if a veteran or his widow is on the guaranteed income supplement and the war veterans allowance, that person receives the increase in the guaranteed income supplement and the war veterans allowance people graciously allow such a person to keep it without taking it away. But that is an increase only in the guaranteed income supplement and old age pension and not in the war veterans allowance portion of his income. Therefore, we have moved this motion not only on behalf of the 1.5 million Canadians who draw the pension or supplement under the Old Age Security Act but also on behalf of these 200,000 people who draw pensions or allowances under the Pension Act or the War Veterans Allowance Act.

Now, I know that during the course of this debate we will be told these matters are under consideration. We all know this. If I may deal with the veteran side of the problem, this is in the hands of the Standing Committee on Veterans Affairs and I must not take advantage of the fact that the committee has not yet reported. But I believe it is proper for me to point out that, although that committee is dealing with the Woods report and with the government's white paper on the Woods report, we have been told categorically by the Minister of Veterans Affairs (Mr. Dubé) that matters having to do with the amount of the pensions paid under the Pension Act and the amount of the allowances paid under the War Veterans Allowance Act must wait until after we have had the gov-

ernment's review of social security policy as a whole. In other words, there can be no increase in the basic pension rate under the Pension Act and no increase in the war veterans allowance until we have the white paper on social security, and for all we know we may not get it then.

I submit that it is most unfair to these people to tell them they will have to wait, and wait and wait. We understand there are to be a few adjustments. The Hong Kong veterans might get into the picture according to the Woods report, as confirmed in the white paper, and there are a number of things to be done in respect of the administration of the Pension Act which are good but overdue. But the basic thing, the need for more money on which to live, is not to be discussed so far as our veterans are concerned until the white paper on social security has been presented.

So, I ask when will this happen? So far as the study is concerned that the government no doubt will tell us is being given to the position of the old age pensions, we know about that. There was the Willard report which at one time we thought we would see soon but which apparently we are not to see at all. Now it is to be the white paper based on that report. This was mentioned in the Speech from the Throne last October. We thought we were going to get it soon, but now apparently we will not have it until just before the end of the session and the Minister of National Health and Welfare (Mr. Munro) has made clear that it is not expected any action on the basis of that report will be taken at this session.

Therefore, the picture emerges as a very clear one that these two main global groups of people about whom I am speaking, those on the old age security pension and the guaranteed income supplement as well as veterans drawing pensions or allowances under these two pieces of legislation I am talking about, will not receive any attention this session. So, what will happen next session? Will we have the same situation again and no doubt we will have to wait until the session after that, the one just before the election? If that is the case, this discrepancy between the 15.7 per cent increase in the cost of living and the 6.1 per cent increase in the pensions, as in the case of the old security recipients, will become even worse. What I described today as an emergency situation will become one of tragedy so far as Canada's older citizens are concerned.

[Mr. Knowles (Winnipeg North Centre).]

As is said in our motion, we think there are other things in life than money. We would like to see things done to improve the quality of life of our older and retired people. If there were more time, I could list a whole range of things that could be done in connection with other services such as health, housing, recreation and all kinds of things that could be done not only by governments but by people generally. But it is rather futile to preach to people about improving the quality of their lives if they do not have enough dollars to hold body and soul together.

• (3:40 p.m.)

I submit that the kind of situation that has developed is one in which we have done something for lots of other groups of pensioners, one in which many people have won increases in their wages and salaries, but for this group of a million and a half old age pensioners and 200,000 war veterans, all we have done has been to tell them to wait, and in particular to wait until after we get the white paper on social security. To put it in its simplest language, it is not fair, it is not just, and I think there should be action on this matter in this session.

I have no doubt that the Minister of National Health and Welfare (Mr. Munro) and perhaps someone speaking on behalf of the Minister of Veterans Affairs (Mr. Dubé) who, I understand, is in Europe at the present time, will tell us that we should wait not only because these things have to be studied but because there might be some better way to deal with these matters than we have employed thus far. I confess to some fear about these suggestions because I hear so much talk about selectivity as a way of handling these things, and I am still an ardent advocate of the principle of universality. I do not like keeping the poor that way, as Ian Adams says in his current book. I think that the way to go is in the direction of the guaranteed annual income. I think the way to go is in the direction of raising the living standards of all our people, and therefore what we propose in this motion is not inconsistent with what might be sometime later a proper and adequate solution to the whole problem of security for our older people.

For example, I have not raised in this motion questions of detail such as the 2 per cent ceiling on the amount by which the pension can go up each year. I have not raised the questions of the means test or the income test or the guaranteed income supplement.

My views about all of these have not changed one iota, but rather than suggest that the House bog down in the details of these things, in view of the fact that a study is in progress and that something more has to be done later, I simply suggest that we take what we now have and act on it in an interim way because the situation is an emergency.

I say that the basic amount of the old age security pension should be increased immediately and substantially. What I mean by the word "substantial" will be pretty clear if one looks at the Order Paper. There is a notice of motion in my name that calls for the pension to be raised to $150 a month across the board. In that motion I suggest that we wipe out the guaranteed income supplement, wipe out the means test, and go for $150 across the board. I think that is a better solution than one based on selectivity. But when I ask in today's motion for a substantial increase in the basic amount of the old age security pension, I leave it to the government to decide on the amount. For example, if the government decided to grant an increase from $75 to $100 to meet this request, then may I remind the government that the guaranteed income supplement is defined as 40 per cent of the basic pension. Therefore, an increase in the basic pension from $75 to $100 would increase the guaranteed income supplement up to $40 and produce a grand total of $140 a month.

I offer that as something less than the $150 that I am asking for across the board but I offer it as a compromise because, as I was saying, we have an emergency situation that calls for immediate action, whatever is going to happen with respect to the white paper on social security that is to be presented later. That is the kind of thing I think should be done. I apply the same reasoning to the pensions under the Pension Act and to the allowances under the War Veterans Allowance Act. I think there are some basic changes that should be made there in the way those pensions and allowances are structured. But at the moment we could help meet the immediate emergency by a straight percentage increase in the pension under the Pension Act and by increasing the amount of the war veterans allowance and by raising the ceiling under which those allowances are paid.

There are many other groups. As I said, some were covered, like the retired civil servants, but there are other groups such as the blind, the disabled and the handicapped, who all too often are forgotten. If I brought those in, I would be told there is the Canada Assistance Plan and there are the provinces. I do bring them into these remarks because I do not want us to forget them. But I am also trying to avoid confusion, to avoid our running off into a lot of different alleyways and missing the main point. I am asking the House to concentrate on these two main groups—old age pensioners generally, of whom there are a million and a half, and veterans who are recipients under the Pension Act and the War Veterans Allowance Act of whom there are about 200,000.

I have already said that this motion, although there were some questions about it as to whether or not it was a non-confidence motion, is deliberately drawn to go either way. If the government says no, even if it says this under the pretext that it is a non-confidence motion, and says it is going to vote against it, then of course we have no option but to force the vote and to let those in the House who believe that pensions should be increased stand up and be counted and those who are not prepared to do that also stand up and be counted. But it is quite in keeping with precedents of the past, quite within the way in which this motion has been worded, for the first speaker for the government to say that the government accepts the intent and the spirit of this motion, that the government believes it should give consideration to an immediate increase in the pensions under the Old Age Security Act and in the pensions and allowances paid to our veterans. If the government does take that position, the motion will not have to be put to a recorded vote at 9.45 p.m. but it will be a unanimous vote and the government will not fall. We do not want the government to fall, not today. There is no point in that at this stage. There is too much to be done around this place to have an election right away. But, to put it in plain language, we do want to put the government on the spot on this issue and we ask the government to face this situation by doing what it ought to do, by saying that it does agree to this proposition. That being the case, there will be a unanimous vote at 9.45 p.m. and all will be well. All we have to do then is to wait for the government to give that consideration and bring in legislation before the end of this session. Failing that, there will have to be a vote and the country will make up its own mind as to the extent to which the government is really interested in our older people.

I have just two more things to say and since only two minutes of my time remain, I shall have to say them fast. First, let us not

have an argument from the other side in the course of this debate about inflation, that these people have to be enlisted as soldiers in the war against inflation. They have already had 9 per cent cut off their income for all practical purposes. They are suffering most of all from inflation. While the executive salaries are going up and with all the other things that are happening, let us not put the burden of fighting inflation on these people. These are people for whom we should be taking the action suggested in this motion.

The final thing I want to say—and I say it carefully without any attempt to be oratorical about it, but I say it plainly—this House has a particular obligation at this time, a strong moral obligation, to do something in the pension field. We have done something in this field for ourselves. I am not going to raise those arguments again. Members know where I stand on that. However, I submit, having done what we did for ourselves before Easter, we have as great a moral obligation to our old age pensioners and to our war veterans as we have ever had. I hope we will meet that obligation today with unanimous support for this motion which calls for consideration of an immediate and substantial increase in the basic amount of the old age pension, for an immediate and substantial increase in veterans pensions and allowances, as the first steps toward improving the quality of life of all our older and retired people.

• (3:50 p.m.)

Some hon. Members: Hear, hear.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am very pleased to support this motion that has been placed before the House. I point out that it asks only that the government give consideration to extending something like justice to the older people and the veterans of the country. I, therefore, hope that other Members of this Parliament on the government side might also be prepared to support this motion and thereby indicate that, in their personal view, the poor, the aged and the veterans deserve a higher priority than being always at the bottom of the heap in Canada.

There have been some encouraging news reports suggesting that a sliver of conscience has found its way into the cabinet, and that some of the ministers, and some of the other supporters on the government side, are unhappy about the government's policy of socking it to the poor and the weak in order that the prosperous and the strong might thrive. Today, they have a chance to say the same thing in Parliament they have been saying in private.

[Mr. Knowles (Winnipeg North Centre).]

It is a shocking comment that, in a country so proud of a high standard of living, Parliament must devote a day to give direction to the government to give consideration—simply give consideration—to stopping discrimination against the people who worked to build up that standard of living, and fought to protect it. The people the opposition parties seek to relieve today are often the people who have spent or risked their lives in the service of Canada, and want now no more than a decent standard of living in their retirement. Quite apart from the total absence of justice in the so-called just society, the refusal of this government to respond to the plight of these Canadians—the insistence of this government to maintain a cruel discrimination against the elderly and the veterans of Canada—is an act of callous and monumental ingratitude.

This motion must have caused great consternation in the Prime Minister's (Mr. Trudeau) office. They just will not know what the country is coming to. Last week it was the unemployed and now it is the pensioners and the veterans. In the East Block they must be asking, why is Parliament bothering to bring up these problems out of proper order? Doesn't Parliament know that problems must be dealt with in order and that now is the time to fight inflation, so until it is licked we cannot consider the problems of the aged or anybody else?

Don't we know, they say in the East Block, that inflation is hardest on old people and consequently nothing can be done to ease their problem? That argument, of course, is absurd. Fight inflation, certainly! But it is wrong to suggest that those who want to provide some relief for the aged or the veterans want to cease and desist in the fight against inflation. It is one of the prime minister's stark and false alternatives that he is fond of putting forth. Certainly, let us continue to fight inflation but let's not allow those who suffer most to bear the principal cost of continuing the fight. If Parliament keeps up these demands to help people, the Prime Minister's flow charts will be thrown out of whack. And it is well known that in this government, flow charts are far more important than people. You don't hear anyone on that side calling a computer a "regrettable side effect".

I want to dwell on that aspect for a moment. It is the claim of this government that they are efficient. Other governments, in

other times, have wanted to be compassionate, or visionary, or open. This government wants to be efficient. And when it is obviously being inefficient, it wants to shut the windows on the federal government, cut off the critics and set up "manipulation Canada". Then, when the government is inefficient no one will know. The President of the Treasury Board (Mr. Drury) has a word for that. He calls it being effective. But whether it is efficient or effective, this government has a style it is going to defend against all comers. It is prepared to be tough with the poor, tough with the old, tough with those 542,000 "regrettable side effects" who are out of work in Canada.

Clearly, there has been no adequate adjustment in the cost of living in connection with old age pensions. We know that the adjustment of approximately 2 per cent is limited to the basic pension of a little less than $80. It does not even cover the whole pension, including the guaranteed annual income supplement. I am concerned particularly with the older people who are in need. The resolution speaks of the basic old age security pension, and I certainly hope the government will consider this. Whatever the government may say about the problems of raising the general level of old age security at this time, they should at least give serious consideration to effective revision of the guaranteed income supplement.

I do not want to spend too much time on figures, Mr. Speaker, as the hon. member for Winnipeg North Centre (Mr. Knowles) has already given some. The poverty line indicated by the Economic Council of Canada before the Senate was $1,800 for a single person and $3,000 for a couple. If this is adjusted to 1970, these figures become $1,950 for a single person and $3,250 for a couple. I know that people do not like to think of themselves as being poor or to be called poor, but these are the figures produced by the Economic Council of Canada as minimal for a decent existence in this country. The guaranteed income supplement added to the existing pension gives a total for a single person of $1,336.92, about $600 below the poverty line. For a couple the total would be $2,673.84, also about $600 below what the Economic Council of Canada established as the poverty line.

As the hon. member for Winnipeg North Centre pointed out, about 51 per cent of those receiving the old age security pension are receiving the guaranteed income supplement, in whole or in part. This gives us some idea of the percentage of old age security recipients who are well below the poverty line. I do not want to worry the House too much with figures, Mr. Speaker, but these can be amply documented. Surely, this is a serious situation. The government should consider immediately, without waiting for more white papers, moving to offset the rise that has taken place in the cost of living. It is wrong, as I have said, to ask our older citizens to bear the full cost of the fight against inflation. I say, let us all fight inflation but let the Prime Minister and his colleagues stop using the war against inflation as a club to beat the heads of the weak and old. Let us use anti-inflationary measures as they should be used, as a shield, and let us supplement that with justice to those who are being particularly hard hit by inflation.

• (4:00 p.m.)

Some hon. Members: Hear, hear.

Mr. Stanfield: The government has also, of course, taken the same sort of line against Canada's veterans, many of whom are also on fixed incomes which inflation is eating away and which the government stubbornly refuses to augment. I offer this warning: if the government thinks veterans groups are going to be easy to push around, it is in for a surprise.

This debate today concerns veterans' supplements and allowances. The considerations which should guide our debate are considerations of justice and equity, and of the mean conditions of life which many Canadian veterans are forced to endure today because of the policy of this government. I think it is also appropriate, in passing, to make the point that if any group of Canadians has a special claim on justice from their government, they are the men and women who risked their lives for this country and sometimes suffered disabilities that seriously limited their later private lives and earning power. There is no need for me to dwell on our duty not to be blind to our obligations. Certainly, we should show more gratitude than a stone-cold response to the veterans' request for a just and decent standard of living. In particular, disability pensions must be improved. In the beginning, the veterans' disability pensions were tied to the cost of unskilled labour. These pensions are a long way short of that rate now, and some adjustments must be made to take account of recent changes.

I suggest we should also consider raising the ceiling of income for those in receipt of

war veterans allowances. The ceiling today is $245 per month for the married veteran and $145 a month for the single veteran. The last adjustments in these figures were made some time ago. If a man has no other means of income and is not yet eligible for an old age pension, that means he is forced to get by today on $2,940 per year if he is married and $1,690 per year if he is single. That is barely more than $30 a week, Mr. Speaker, for a single man; and while that is the income recommended by the Minister of Finance (Mr. Benson), it is not at all a just or adequate income for a Canadian citizen, whether he is a veteran or not.

Some hon. Members: Hear, hear.

Mr. Bell: Thirty buck a month Benson.

Mr. Stanfield: I suspect that the answer will be that the government has the matter under review. Sometimes I expect that will always be the answer; and the review will never end and will never produce results for the Canadian veterans. It is at this point in the debate that I wish to refer briefly to the growing disenchantment in this government among Canadian veterans. In addition, there is a growing lack of confidence in the Minister of Veterans Affairs (Mr. Dubé) on the part of Canadian veterans.

Some hon. Members: Hear, hear.

Mr. Stanfield: Canadian veterans just cannot understand why it has taken this government so long to make some simple long-overdue adjustments in what they are receiving. They are concerned that the minister has taken the same attitude towards veterans that ministers in this government from western Canada have taken towards the west—that is, that he sees his purpose as protecting the government agains the veterans. That, surely, is not at all an adequate attitude.

This seems to be a government of technocrats and public relations men. The technocrats believe it is enough for a government to be efficient and the public relations men settle for less than that. They think it is enough to seem to be efficient. I have spoken before about the false image of efficiency and the deliberate campaign of this government to eliminate or restrict critics who might point out how inefficient the government really is in fact.

I want to deal briefly with another new, basic ideology, the ideology of efficiency which allows the government to regard and describe half a million unemployed as "regrettable side effects". This government has a computer for a conscience. As it turns out, the computer usually cannot count. But at least it cannot be said that the mistakes of this government are human mistakes. There is a machine on which to put the blame, and probably that is appropriate.

Some hon. Members: Hear, hear.

Mr. Stanfield: I know this attacks the basic faith of the technocrats in the East Block, but the government in a civilized country has a larger responsibility than just to be efficient. It must do more than make the trains run on time.

This government, in the false name of efficiency, has consistently set itself against the weak and the dispossessed. It is not clear whether their guiding philosophy is that the poor deserve to be poor or else they would be cabinet ministers, or whether it is that someone always has to sacrifice and suffer when a new approach is being introduced. If the new theology of efficiency is going to claim some victims, it might as well be the poor and the dispossessed.

An hon. Member: Shame.

Mr. Stanfield: It is better, sir, that someone strong enough should complain and get in the way of "progress". I repeat, this government has taken a consistent, hard line against Canadians in need. Earlier this year I proposed that the government immediately take off the tax rolls those Canadians who were paying income tax and living below the poverty line. But the government refused. The Economic Council of Canada has indicated that one Canadian in five is living below the poverty line in this rich country. The government could act. It has refused to do so thus far, offering as an excuse that it has another policy review in progress.

Inflation, which the government claims to be fighting by creating these 542,000 "regrettable side effects", is still like a thief, stealing every day from Canadians on fixed incomes. Some Canadians with comfortable incomes might be in a position to hold the line on incomes and join the fight against inflation. But when you live in hardship, when inflation cuts into your ability to buy basic necessities, you should not be asked to stand in the front line of the fight. You are in it already and the government has no moral right to load on a greater burden. As I said before, the government can claim it is being tough; it can claim

that it is taking a hard line if it wants to do so. In fact, this government is being revealed to the nation as cold-blooded.

Mr. Woolliams: It is against the poor.

Mr. Stanfield: They will certainly hold the line. Yet I suggest that we owe the elderly people of this country not only gratitude but justice. They have a special claim to the attention of the government, because it is difficult to be old in a country that is so consciously young. Already, and often with adequate reasons, governments have changed traditions that were part of life to many older Canadians. Urbanization has changed their landscape and broadcasting and other influences have changed their sense of standards. A good many of the events of the last few decades in Canada have militated, in effect, against the elderly. This country which they built is less easy for them to live in than it was for their parents or grandparents. These are the people who built Canada when they were young and who are eligible for pensions today.

• (4:10 p.m.)

These people are the psychological victims of change. Instead of adding to their discomfort by making them the economic victims of deliberate government policy, this government should go out of its way to show its older citizens that this is their country too, that we are grateful for their service and determined to ensure that they live their last years in as much decency and comfort as is possible. Therefore, I sincerely press the government—

The Acting Speaker (Mr. Béchard): Order, please. I regret I have to interrupt the hon. member, but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Stanfield: I was just finishing my last sentence, Mr. Speaker. I urge the government to seriously consider the contents of this resolution and the recommendation contained in the resolution, that financial relief be granted to our older people and veterans so that we can feel we are doing something like justice for these people.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the motion now before us deals with a most urgent matter since, as far back as 1962 at least, hon. members were recommending the adoption of measures similar to those suggested in this motion which reads as follows:

> That this House calls upon the government to give consideration to an immediate and substantial increase in the basic amount of the old age security pension and in veterans' pensions and allowances, and this House also urges that still further steps be taken to improve the quality of life of all our older and retired people.

Mr. Speaker, a few days ago, I met retired CNR employees, one of whom receives a monthly pension of $28.

It is so ridiculous that I even advised him to return his cheque, because it was not worth it cashing a $27, $28 pension cheque after having worked 30 or 35 years for the Canadian National.

As social security, the hon. member for Winnipeg North Centre (Mr. Knowles) mentioned that the white paper was about to be brought out, as announced at the opening of the session. This was referred to several times last year and two years ago, and in the meanwhile, our pensioners are still barely able to keep body and soul together, living in need.

As the Leader of the Opposition (Mr. Stanfield) said of the veterans, they are the very ones who from 1939 to 1945 were on the other side of the Atlantic, ready to shed their blood for country, civilization and Christendom.

Mr. Ralston, then Minister of National Defence, visited them in Europe. The Right Hon. Mackenzie King, Prime Minister, and the Right Hon. Ernest Lapointe, Deputy Prime Minister, enjoined our soliders to fight gallantly. When you return to Canada, they said, you will never know want, recession or insecurity.

During the four or five years that the war lasted, young people were encouraged with brazen lies since today, married veterans get $245 a month and unmarried ones, $145. I think these allowances are not enough, and it is a shame to treat these veterans this way.

If war were declared tomorrow, the same promises would be made to the new generation of soldiers. They would be told: When the war is over, you will never have insecurity again.

Right now, in Canada, veterans have no security at all and they are worried.

Old Age and Veterans' Pensions

Mr. Speaker, the motion before us concerns several other categories of citizens who need help. This is the reason why I give it my wholehearted support.

I regret that neither the mover nor the Opposition Leader who both support the same resolution, have not the same aims and did not indicate by what means these pension increases would be made possible, because, finally, everybody will ask again: Where will the money come from? This is the problem.

Why not pay $150 pensions to old people? I remember that in 1962, when the old age security pension was $65 a month and that my colleagues and I called for it to be raised to $100, we were literally told that we were crazy, that we were asking for the moon. Now, in 1970, the same pension has reached $111.41 a month. This means that the government is crazier then we were then by $11.41 a month.

The question remains the same: Where will the money come from? When it was decided to increase the pension of hon. members, did anyone ask where would the money come from? Nobody did. It was like an electronic system—so smoothly it went through.

The pensions are there. As far as the wage increases are concerned, they were granted without too much difficulty. The delivery was not too difficult. Things run smoothly when we are the ones concerned, but for the disadvantaged and the aged, the story is different.

• (4:20 p.m.)

Mr. Speaker, can an older person live on $111.41 per month in present circumstances? What about needy mothers, widows, the blind and the disabled who receive only $75 or $65 per month? How can they live on so little? It is impossible.

If the minister believes that it can be done, why does he not publish the "recipe" in order to teach people how to live, in 1970, on $65 per month? Of course, no such recipe is sent with the cheque because everyone knows that it is impossible to live on such a ridiculously low pension.

Mr. Speaker, is it normal that needy mothers on social assistance, who often must provide for four or five children, should receive only $130 or $135 per month?

Let us suppose that a mother has five children and they are placed in a foster home. The home would get in such a case $50 a month for each child, which means $250 per month. And when the mother has the courage to support her own children and look after them herself, she only receives $135 per month. If this is what we call social justice and a just society, I fail to grasp the meaning of words.

[Mr. Caouette.]

It is a shame to treat people so, although this is what we see in our midst. Mr. Speaker, such situations exist in the riding of the Prime Minister (Mr. Trudeau) and each minister can see in his own constituency cases of the most distressing poverty. Why? Is it because there is a shortage of goods? No. Because the stores are empty? No. Because the factories are unable to produce? No. It is because people have no money! That is the problem. And instead of tackling it all kinds of other things are given consideration.

The Leader of the Opposition was not much clearer than the hon. member for Winnipeg North Centre when he offered his solution. In their opinion, taxes should be increased, a floor on poverty and a ceiling on wealth should be established. When a certain level of wealth has been reached, we should take from the rich and give to the poor so that they may reach the set minimum.

Mr. Speaker, as far as the floor is concerned, I agree. We should set one, so that everyone may at least be on the same minimum level. From there on, people should be free. A vital minimum should be set, allowing for decent living conditions and not dismal, pitiful and shrunken ones.

That principle once applied, let personal initiative do the rest. If someone becomes a millionaire, good for him, if another becomes rich, good for him; if still another remains at a lower level, it is just too bad. If he cannot do better, it is unfortunate, but at least he is free to use his personal initiative.

We should leave it to competition in private enterprise to settle the price problem instead of using government gimmicks or unrealistic schemes which only lead to price increases.

When will prices go down? When will the government consider the consumer problem instead of thinking only of controlling production?

In western Canada, $100 million were paid to farmers with instructions not to grow wheat for a year. In eastern Canada, they were asked not to produce milk. Even in the constituency of Bonaventure and in Abitibi farmers were requested not to produce milk. It is dangerous to reduce production. Any such reduction entails an increase in unemployment and this not only in Quebec.

I recently went to the Magdalen Islands where 80 per cent of the population lives

exclusively on welfare allowances. In fact, conditions are not good for fishing at this time of year. Income is limited and people live on social welfare. Election convassers even told the people that if they did not vote for their party they will lose their family and social allowances. I advised the mothers to throw out those canvassers with a broomstick. I do not if they did it, but at least that was what I suggested.

In any case, this is an important matter. The government is racking its brains trying to work out a production policy, but it is ignoring the consumers who should normally benefit from it. Then, why does it not tackle the true problem, that of production? Indeed, the whole production cannot be used up.

Just let the producers produce and give the consumers the means to purchase the products. And how can we do that? By allotting additional purchasing power to the consumers. They would then command production. So that our senior citizens might buy more products, and they are in abundance, or at least be able to get the necessities of life, we must first increase the old age pensions to $150 a month. No pension must from now on be less than $150 a month.

Where will the money come from? From the pockets of those who have money? No. That is the solution of socialism. Some European countries adopted it but the situation was not much improved. Such a policy crushed the rich but did not help the poor very much.

As I often say, millionaires do not pile up their money in a corner of their bedrooms. They use it in a productive way. Plant extensions, new industries, new jobs and respect of personal initiative are the products of private enterprise. If people were roused against millionaires because they live in castles, if 10,000 poor people who live in shacks were brought together to fight the rich, there would come a time when the castles would be blown up. The poor would be satisfied because the castles would be destroyed. They would return home and find out that they still live in the same shacks. This action would not have improved their standard of living, but would have destroyed what was good. This solution is not the right one. It is bad to take something from those who have and give it to those who have not.

That is done in Russia, Czechoslovakia and other Communist countries of the world. We do not want that regime. If we do not want it, the time has come to consider seriously the problem of consumption in order that those who have something keep it. It is difficult to convince people of this. Still, it is possible to convince those who have time to think. It is a waste of time when one is dealing with press gallery correspondents. Incidentally, I see there is nobody in the press gallery. It is impossible to convince the CBC of this. The CBC advocates that we must take from those who have, stir up people and give to those who have nothing. It comes to the defence of the poor, but fails to take the means required to help them.

As for us, we talk about monetary reform and people say we are lunatics. And while the lunatics are shouting, Canada is in the throes of a recession. The poor, the disabled, the blind and the old are at the mercy of economic conditions.

• (4:30 p.m.)

Mr. Speaker, production in Canada this year will amount to $72 or $75 billion. Compared to this production achieved by Canadians, we will have a total national income of some $50 billion. This means that there will be from $22 to $25 billion worth of products for which we will not have the purchasing power. There is no money for that. That means that the total income cannot buy the total production. It is as simple as that. Neither the journalists nor the CBC people can get that through their heads. I do not mean the small employees of the CBC, no, but the big shots as they are called.

Mr. Speaker, other countries have run into similar problems. Must we necessarily follow in their footsteps? Are we waiting for a revolution to break out here in Canada, for the poor to revolt? An old proverb says: It's no use preaching to a hungry man. Now, if we allow those people to revolt, there will be no point in preaching to them. If the husband, the wife and the child are hungry, eventually they will act. Hunger will not be tolerated in as rich a country as Canada. That is obvious. The Minister of Justice (Mr. Turner) knows it as well as I do.

We had a depression from 1929 to 1939. When we speak of that depression to the young people of today, they think it is a fairy tale. Only, we "wi.nessed the fairy and the tale" at the same time. And today we seem to be heading towards a new depression.

Mr. Speaker, I say it again: a floor for poverty, yes; but a ceiling, no. That is clear. If we impose a ceiling, as soon as it is reached, people with initiative will say: Before work-

ing for the government, to hell with everything. I will go further. We already see that in the case of those who, for instance, work overtime in plants, and are literally robbed of the fruit of their overtime through income tax. What does that fellow tell himself? He says to himself: Do you think I am going to work for the government? To hell with the government, I am going home. I am not doing any overtime. And who could blame him?

The ceiling, that is what discourages all personal initiative. Everybody admits that all minds are not equal. Some people are more intelligent than others. Some people have inventiveness while others will never invent anything. The government in power now will not invent much in the years to come.

An hon. Member: Taxes.

Mr. Caouette: That's right, taxes. It is the only invention we have, taxes.

Mr. Speaker, the Créditistes come up with a reasonable solution. The ministers and the government members know that. If war broke out tomorrow, would there be a money problem in Canada to supply our soldiers with equipment and weapons. Not only "pea-shooters," but good rifles. Would there be a lack of money to feed those soldiers and clothe them decently?

In 1939, when war broke out, there was a great economic crisis in Canada. We did not get money from those who did not have any. We created $200 million in the Bank of Canada, through the then Minister of Finance, Mr. Ilsley. I say it once more, we found $200 million. Then Saint-Pierre l'Ermite and all kinds of war plants sprang up. They provided work for all men, women and young girls. There were 800,000 soldiers and now we cannot create 600,000 jobs. But to create 800,000 jobs for soldiers in time of war that is something we are able to do. It is preposterous, but we tolerate it.

Mr. Speaker, it is too bad to hear all the time that we have no money. And all that time old people are getting older and are worrying too. There is no security for them. Medical cards that are granted when a supplement is provided. But all our older citizens do not have that card. They have to ask for it in writing from the government, and some cannot write—

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired, and unless the House gives unanimous consent, he cannot proceed. Is that agreed?

Some hon. Members: Agreed, for five minutes.

Mr. Caouette: Mr. Speaker, I thank my hon. colleagues. I will need only two more minutes, even if I am offered five. Therefore, it cannot be said that I am greedy and demanding a national dividend immediately.

Mr. Speaker, all this to say that the motion as drafted is very much acceptable. We support its intent because all the people and groups mentioned in the motion interest us to the utmost.

For many years now, we have been asking for $150 per month for old age pensions. We are now asking for a similar basic pension for the blind, the disabled and for each and every category of people since production in Canada can sustain it.

If our production failed, we should necessarily have to turn to it, but that is not the problem. The problem is that we are saddled with a production surplus. I see that the Minister of Manpower and Immigration (Mr. MacEachen) is supporting me. He knows there is a production surplus, even in his own province and in his own riding.

The other day, I was strolling down St. Catherine Street, close to my hon. friend's riding and there were sales advertised in every shopwindow: season sales, off-season sales, quarterly sales, underwear sales, for my very good friend over there. Sales everywhere. Unfortunately, people walk right by because they have no money.

The problem is a pocketbook problem.

I am asking the government to think in term of pocketbook rather than in terms of production.

When our Canadian housewives have enough purchasing power to go and buy themselves clothes, food or what not, and when our breadwinner enjoy security through the purchasing power that will assure them of at least a fair standard of well-being, then, the government of Canada will have served efficiently the nation.

[*English*]

Mr. Barney Danson (York North): Mr. Speaker, I am delighted to rise to take part in this debate which is one that touches us all very deeply. I regret that the motion is worded in such manner that many of us who sympathize with its spirit and intent cannot

vote in its favour. I hope that the hon. member who moved it, the hon. member for Winnipeg North Centre (Mr. Knowles), takes some time to learn something about the rules of this place so that in future we can do this in a different way. But as I say, many of my colleagues share both his concern and sympathy.

Mr. Benjamin: The hon. member was quoting rules here before you were born.

Mr. Danson: I am sure he was. The Leader of the Opposition (Mr. Stanfield) made some interesting comments. He felt it was not enough to appear efficient, but certainly that is not a problem that he will ever have. I was disappointed in the hon. member for Saint John-Lancaster (Mr. Bell) when he made some remarks about "Thirty dollar Benson". I think that is unworthy of "Two-bit Bell"; but I hope we can raise this debate to a higher level.

I think this debate gives us an opportunity to reflect on the role played by our older people and our attitude toward them in this society of ours, which really, with all its problems, is an affluent society. We have the second highest standard of living in the world. Some claim we have the third highest; but from what I know of Sweden, while I admire that country and its people greatly I suggest that Canada still has the second highest standard of living. Most of us today are living better than we have ever lived before, most of us better than we ever really expected. Yet our older people, though perhaps better treated than they were in former times, are not treated as well as they should be.

I think the approach to the matter is a purely selfish one on the part of us here. God willing, most of us will ourselves be old some day. Perhaps this is a cynical way of approaching old age, but if we can develop our society to the extent that we will not have any fears, trepidation or uncertainty about getting old, about security in our senior years, then we can devote our thoughts and energy to the future, to things which will be productive in themselves, which will help us fulfil ourselves as Canadians and which help Canada fulfil its destiny. I don't mean adopting the approach of "live for today and to heck with tomorrow".

Another reason for our approach to the elderly, apart from the selfish motive I have mentioned, is that there is nothing in it for us. The elderly themselves are a defenceless group and will not be around much longer to vote; no one cares much about them. It would be better to put them away and forget about them. However, we feel that, as human beings in a civilized society—and I hope we are that—we must come to the assistance of our senior citizens. The youth of course are important too, and I think we should give some attention to them but the number one priority of politicians and society as a whole should be our senior citizens. The youth have the future ahead of them. We, more or less in middle age, have problems which must be looked at and handled in the best way possible but the older people do not have time. They have concerns and one thing which concerns them so much is money. The motion says that consideration should be given to an immediate and substantial increase. Well, I realize the problems involved but somehow, as a Canadian and as a member of this House, I am not satisfied yet that we are doing all we can, particularly in view of what I consider to be the rather immoral and unconscionable pension increase for ourselves which could have been handled in so many other ways. That was indefensible, as I see it.

• (4:40 p.m.)

An hon. Member: Why didn't you vote on it?

Mr. Danson: I did not vote on it because I was not here. I do not apologize for that. I do not know what I would have done had I been here. I was at a meeting of the Canadian Tax Foundation in Montreal with my committee. I apologize for digressing, Mr. Speaker.

The senior citizens have made this country the type of country it is, in the main. We have inherited the benefits of their investment. I think it is time we gave them a proper return on their investment. I say we should give it to them, and when I say that I do not mean we, as members of a government or as politicians. It should be given to them by all Canadians of conscience and goodwill. Really, we would not be giving them anything because it is their money. They have been paying their dues a lot longer than we have. Parliament and the government of Canada give nothing to the Canadian people. We just redirect our resources in order to reflect the objectives of this society. If we on this side do not succeed, then somebody else will be sitting on this side and we will be on the other side. That is as it should be.

Previous speakers mentioned the quality of life. It has been suggested that dollars are

nothing, but it is only with dollars that people can buy many of the things they need today, even though the value of the dollar is shrinking so much. On Saturday of last week I attended the laying of a cornerstone of the Union Villa, a new home for the aged in my constituency near Unionville. It is a lovely place. They even have a greenhouse in which these people can work. This is a semi-rural area and these older people have grown up in farming areas. They will have the opportunity to grow things as they had in their earlier days. Incidentally, there is also a child care centre. I was concerned about this at first. I did not think that geriatrics had developed to such a science. Apparently, however, this is a child care centre where these people will look after the children of working mothers and so on. There is even a bar so that the old people will not have to sneak a bottle under their pillow but, can live with dignity.

Despite all the dignity these people may have, there is the terrible fact that some of them have a fundamental insecurity. Some of them are able to look after themselves. Many of us have seen parents and grandparents who, because they have known other older people in difficulty, are afraid they might end up in a similar situation. One gentleman at Union Villa, who had been secretary of a senior citizens group, told me he had quit because they were a bunch of old fogies and he didn't want to live in a barrack with old people. There is also a sad side to it. I saw two old ladies who were to be the first persons admitted to this place. They looked as if they might not make it while they were sitting there waiting to be admitted. Here we are talking about something that is within our power, and I believe within our resources, that we should look at very carefully and give high priority to in government.

I refer to the simple dollars that are not easy to raise. When we speak about a guaranteed annual income, as the Leader of the Opposition (Mr. Stanfield) does, some people scream about socialism. These are the people who run to the Leader of the Opposition when we discuss the tax reform. Perhaps a negative income tax, combined with a guaranteed annual income, might be something for the future, but we are discussing the present. Of course, this must be examined. Perhaps something in the form of a negative income tax plan could be applied to the guaranteed income supplement so that those who do have a little ahead of them do not lose it.

In so far as the veterans are concerned, I speak with a certain conflict of interest.

[Mr. Danson.]

There are veterans who are disabled and there are veterans who are inconvenienced. I am talking about pensionable veterans. I think we should take a look at and review the situation in respect of those who are really suffering and who are desperately dependent upon their disability pension. There are also those, such as myself, who are simply inconvenienced. There is a difference. I am not as thoroughly familiar with the activities of the Veterans Affairs Committee as I would like to be in respect of its study of the Woods report, although I have attended some of their sessions and I am sure the committee will come up with a report that will be very worth while. But I think this differentiation is terribly important at a time when we are talking about the motion of the hon. member for Winnipeg North Centre (Mr. Knowles) which calls for immediate consideration and for immediate action.

Perhaps in this context we can differentiate in respect of those veterans who are truly disabled and urgently in need of additional assistance. It is difficult to say more, Mr. Speaker, because one really wants to express sympathy, if that is the right word, with the intent and spirit of this motion. It would be difficult for any of us to be against it. I regret that it is worded in the way it is because I do not think it is a motion that should be one of confidence in the government. Because it is, I must vote against it.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member permit a question.

The Acting Speaker (Mr. Béchard): The hon. member for Winnipeg North Centre on a question.

Mr. Knowles (Winnipeg North Centre): Is the hon. member not aware of the fact that the motion is worded differently from motions of this kind? It does not use the word "condemns". It was worded deliberately so that the members on the government side could vote for it and call upon the government to take action now to increase pensions.

Mr. Danson: But it is still a motion of non-confidence as I read it on the Order Paper and I have great confidence in this government.

Mr. Knowles (Winnipeg North Centre): It depends on how the government votes.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, a few months ago, while walking on the

street in a town in my riding, I met an old man about 85 years of age or so. He had immigrated to this country in the 1920's settled on the land and farmed about a half section, using up most of his physical and emotional energy in so doing. Finally, he retired after buying a small house in a small town. He is a tall, thin fellow with a bald head and a heavy handlebar moustache; I suppose the moustache was partly an effort to make up for the lack of hair on top of his head.

An hon. Member: A lot of people do that.

• (4:50 p.m.)

Mr. Yewchuk: That is right. He stopped me and had a very sad story to tell. He had spent all his years on the land and retired into town where he was occupying a small house on a grand pension of $110. When you consider the cost of maintenance of a house, the payment of taxes and utilities, the purchase of groceries, etc., you realize that it does not take long to spend $110. The basic pension together with the guaranteed income supplement, in no way covers the cost of living. I listened to him for some time. He told me that he had obtained a small job for a few days somewhere and earned a small amount of money. The authorities involved found this out and deducted around $30 from his guaranteed income supplement. He gave me a slogan that I had not heard before. It goes like this: "Liberale meni chobuti widdibrale". The translation is: "The Liberals took my boots away".

This is only one story. A few days ago I met another man. He came to my office complaining about the same thing. He happens to be a man of 65 who receives a pension at the rate which I described previously. His wife is only 55, however, and this meant that when he retired two people had to live on a pension of $110 a month. She was not old enough to qualify for the old age pension, so the only choice she had was to go on welfare or go to work. She opted for the second choice and she went to work as a cook in a bush camp. This fact was immediately noted by the authorities, and again the guaranteed annual income supplement was cut off. In addition, she had to pay some income tax.

I go home fairly frequently and there is another man who comes to my office once a month. He has done so for the past two years. He has asked me the same question 24 times in two years: "When will the old age pension go up?" All three of these people have asked me what I can do for them and whether I can see to it that their pensions go up a bit. I say that I will do my best to see that the pension goes up, knowing full well that anything I can do, judging by the response of this government in the past two years, will amount to a big zero. I realize that this speech will have the same effect on the government, but I decided to make it anyway in the hopes that somebody would listen. I notice that the Prime Minister (Mr. Trudeau) is not listening. That is a habit of his. He never listens to any of these speeches on these very important issues that are raised on opposition days. As a matter of fact, it appears to me that government members scoff at opposition days. They look at them as a necessary evil or a concession they had to make in our rule changes, and they consider them as not worthy of attention. I am very sorry that this is the attitude of the government to opposition days because these are the days when the most pressing problems that face the country are usually discussed. These are the problems which should receive top priority but, by a stroke of the hand of fate, seem to be relegated to areas that will not receive consideration from this government.

This question of pensions for the elderly is a very serious one. In the fifth annual review of the Economic Council of Canada, which was carried out in 1961, the following poverty lines were established: $1,500 a year for a single person and $2,500 a year for a couple. These figures were revised in 1968 to $1,800 for a single person and $3,000 for a couple. In 1970 they were revised again to about $1,950 for a single person and $3,250 for a couple. If we look at the pension that people actually get we find that, in the case of a single individual, by adding the basic pension of $79.58 per month to the guaranteed income supplement of $31.83 per month we arrive at a grand total of $1,336.92 per year. When we compare that to $1,950, which is defined as the poverty line, we can see that individuals in this area are living on a level far below the acceptable poverty line. If we look at the pension of a couple, assuming they are both 65 and both receive pension, we find that their combined income is around $2,673.84 a year, which again is far below the $3,250 which is considered acceptable by the Economic Council of Canada.

These two examples do not cover the whole gamut. As a matter of fact, these examples miss a very important aspect of old age pensions. This important aspect relates to the fact

that most men are older than their spouses, at least a couple of years older. In almost every case a married man who goes on old age pension, while waiting for his wife to become 65, has to try to maintain both of them on a pension which was designed for only one person. This pension would still be below the poverty line, even if only one individual were dependent upon it. I think this is a gross injustice that has to be considered immediately. I suggest that one way to approach that problem would be for the wife to receive her old age pension at the same time as the wage earner or the husband does, whether she is 65, 55 or even 35. In the case of the woman I mentioned she might have to go to work after he died until she reached 65. The action I have suggested would remove a tremendous burden.

I have been talking about the poverty line, so I think perhaps I should give a definition of poverty to emphasize that it is not a good state in which to be. The dictionary definition of poverty is: "indigence, want, scarcity, deficiency, poorness or meanness". The dictionary points out that the dominant sense of present day usage of the word is that of having little money or property. Poverty also connotes deprivation in respect to various aspects of consumption, and is often accompanied by malnutrition, inadequate health care, poor housing, and all the other things that go with poverty.

When we consider the three men whom I mentioned in my introductory remarks, all of whom immigrated to this country some 30 or 40 years ago and slaved away on agricultural units which eventually grew to be uneconomic, and who were then relegated to a role of living in poverty, one realizes that this is the reward that this great country of affluence gives to its senior citizens.

I might point out that the total number of our senior citizens who have been relegated to this role of living below the poverty line is 474,091, or 31.1 per cent of the total population of old age pensioners. Those are the people over 65 who receive the full benefits, including basic pension as well as guaranteed income supplement and have no other income. The second group, totalling 310,946 or 20.4 per cent of the population of pensioners receive the basic pension plus a partial guaranteed income supplement which is still below the poverty line. Combining the two groups, we find that 51.5 per cent of our elderly people live in conditions of poverty. How can we justify this situation in such an affluent country whose government won an election on the slogan of justice in our society? Since that time the government has been turning a blind eye to this very serious social problem.

• (5:00 p.m.)

It has been said that people should not pay more than 25 per cent of total income toward rent but in many cases an old age pensioner has to pay as much as 30 per cent, which does not leave sufficient funds to provide a well balanced diet. Mr. Speaker, I wonder how many old age pensioners receiving the full amount of the basic pension and the guaranteed income supplement eat steak once a week? Not very many I would say.

One way to improve the situation would be to increase the basic pension, to bring it at least to the poverty line. But that pays no heed to the individual in greatest need, and therefore I think it would be wiser to increase the guaranteed income supplement which is applied more to those with no other income. Unlike the popular socialistic belief, I do not think that everybody should be treated alike, because everybody has not the same needs. Attention must be paid to the individual, so that the individual with a greater need gets a larger pension. If the pension is the same for everyone, then those in need don't get enough and those who are not in need get too much, creating a situation which is unjust.

Another remedy for the low income problem of senior citizens would be the provision of fringe benefits, for instance a travel subsidy. Air Canada provides half rate travel for senior citizens on a standby basis. This can be a hardship on old people, sitting around an airport with their baggage hoping for a cancellation in order that they may make the journey for half fare. This is most unfair and the standard of CP Air should be adopted which allows them to make reservations and to be treated in the same manner as other travellers.

The universal pension is $79.58. The pension index developed for the Canada Pension Plan indicates that provision is made for an increase of 2 per cent in any one year. This is something of a joke, considering that in the past two years inflation has caused a rise in the cost of living of 8 to 10 per cent. The 2 per cent increase in the old age pension, therefore, cannot possibly be sufficient. This is a matter which should be corrected without further delay. When the old age pension was first introduced about 1951, it was set at $40 a

month. True, it has nearly doubled since that time, but when compared with weekly industrial earnings which have increased 138 per cent it looks a little ridiculous.

I wish to conclude, Mr. Speaker, by saying that I hope the government will take a more serious view of this problem than they have so far. Old age pensioners have enough worries, health and the difficulty of getting around, without having the constant worry that they may not have enough to eat. I, therefore, plead with the government to take speedy action on this matter.

Mr. Hubert Badanai (Fort William): Mr. Speaker, about 11 months ago, on a day allotted to the official opposition, this House dealt with a report of the Standing Committee on Veterans Affairs. The debate disclosed no secret. It was apparent that members participating agreed that the welfare of our comrades who fought in the course of two world wars and Korea was paramount in their minds. Today, we are dealing with pensions in general, including old age security and pensions payable to the disabled, the blind and to veterans. I would like to touch on the pensions of veterans.

That a parliamentary committee sat through part of the last summer holidays, and held countless meetings since, in an endeavour to arrive at possible solutions for the benefit of the war veterans, should be noted as an indication of the government's desire to keep faith with our comrades in need of assistance. The Minister of Veterans Affairs (Mr. Dubé) has pointed out on several occasions that it is the government's duty to consider the problems affecting the one million veterans of Canada. Happily, not all of them require assistance, nor do all especially need to appeal to the government. However, of the one million veterans, 14 per cent are in receipt of pensions, about eight per cent are in need of veterans allowances, and one per cent are continuously in need of hospital care.

For those in need, and an appreciable number of our veterans are in need, provision was made and included in the 1968-69 estimates to the extent of $426 million, and for the year 1970-71 $493 million. I should also point out that there have been three revisions in the pension rates since 1964.

About a year ago, the minister pointed out to the committee certain matters of importance to veterans, and I think I should quote what he said on that occasion:

> First, the program of welfare services, allowances and other benefits is one that seeks to ensure that all persons eligible for war veterans allowance, civilian war allowance and other veterans benefits are assisted to the full extent of the provisions of the various statutes affected.
>
> The second is the pension program administered by the Canadian Pension Commission, which is a quasi-judicial body reporting to Parliament through the Minister of Veterans Affairs. Under this program, pensions for disability and death are provided as set forth in the Pension Act. The program also includes the adjudication of claims for pensions under several other statutes including the Civilian War Pensions and Allowances Act, the RCMP Superannuation Act, and the RCMP Pension Continuation Act.
>
> A third program is concerned with the provision of treatment services to veterans and to other designated classes of patients as authorized by the veterans treatment regulations.
>
> Fourth the Soldier Settlement and Veterans Land Act program seeks to effect the successful settlement of qualified veterans as farmers, small holders, commercial fishermen and homesteaders, including Indian veterans on reserves.
>
> The fifth of the programs, departmental administration, is concerned with the effective and efficient provision of a number of common professional and administrative services.

• (5:10 p.m.)

As I recall, the hon. member for Winnipeg North Centre (Mr. Knowles) was on that occasion sarcastically critical of the minister when he introduced the motion to refer the Woods Committee report to the Standing Committee on Veterans Affairs.

The government did come through with the approval of an unprecedented number of recommendations contained in the Woods Report, and the committee has practically arrived at the point of writing the final report containing its recommendations. The hon. member believes that the old age pension for everyone should be raised at once to $150. No one is opposed to any increase to old age pensioners. We all know the hon. member's obsession with his own belief that he is the only member who cares for the welfare of the needy. I would suggest to you, Mr. Speaker, that he has no monopoly on compassion.

With regard to the Canadian Pension Commission for war veterans, the committee listened to presentations on this subject. The rates now in effect, in their relationship to the Canadian standard of living, were studied and I am sure the government will consider the various recommendations in relation to the general assessment, as promised in the white paper on veterans pensions. Pensions to other dependents vary according to circumstances, the maximum being $1,980 per annum for two dependent parents of a deceased pensioner where there is no pensioned widow.

Old Age and Veterans' Pensions

At page 14 of the white paper on veterans pensions is the following statement on improvements in effect, and I quote:

In addition to the recommendations of the Woods Committee that have been accepted in principle, but which cannot be put into effect until the legislation is amended, about one-third of the 148 have been accepted and can be implemented under existing authorities. These recommendations are already in effect, or they will be as soon as the necessary arrangements can be made by the Canadian Pension Commission or the Department of Veterans Affairs.

Some of them concern existing procedures or are the responsibility of sections of the Commission which, when the Pension Act is amended, will become part of the department, at which time they may be further adjusted. Meanwhile, however, the improvements these recommendations afford are being made available to pensioners and to pension applicants.

Several recommendations, being implemented by the Commission, are designed to give maximum consistency to its decisions through the issuing of policy directives, administrative instructions, procedural directives and memoranda relating to the interpretation of the various sections of the act, the purposes of compassionate pensions and guidelines relating to them, Medical Advisory Branch matters, supplementary benefits, etc.; and by the preparation of a digest of relevant decisions and related comments.

In addition to that, further improvements will, I am confident, be included in the final committee report.

The proposal contained in the hon. member's resolution is such as every hon. member would like to support. Canada's record in comparison with that of other western countries ought to make Canadians feel proud. While the minimum monthly pension payable to every person 65 years of age and over is approximately $75 a month in Canada, in the United States, the wealthiest country in the world, the pension is only $55 a month. If an aged person in Canada has no other income except his pension, he can receive $109.20 monthly. In the United States there is no provision for his receiving more than the $55. In Britain, the minimum monthly pension for a single householder is $56. In France, the pension is 20 per cent of previous earnings if one retires at 60, or 40 per cent if one retires at 65, or 60 per cent if one does not retire until the age of 70. In West Germany, it is 45 per cent of previous earnings if one has contributed for 30 years.

The Prime Minister (Mr. Trudeau), replying to a brief presented by the National Pensioners and Senior Citizens Federation last October, which asked for an increase in the old age security pension to $150 a month and for personal income tax exemptions of $2,000 for single persons and $4,000 for married couples, said and I quote:

A few weeks ago, referring to inflation, I told a conference of business and labour leaders that "the true measure and the true cost of what has been happening can be found only among those unprotected Canadians whose incomes are fixed and who each year have watched their purchasing power and standard of living drop by 4 and 5 per cent". I pledged then, and I pledge again to you now, that the government will do everything in its power to ensure that your $100 will not dwindle in worth to $75 five years from now, or $50 ten years from now.

Fighting inflation, fighting the spiral of ever-rising costs and prices which so affects you in your daily life, has been and must remain our priority.

This does not mean, however, that we are not also moving in other ways to help alleviate the very real difficulties which so many of you face in trying to meet the monthly rent, the weekly grocery bill, the medical expenses, the small luxuries to which everyone is entitled.

In your brief you called for an increase in personal exemptions from income tax. The White Paper on Tax Reform tabled on November 7th by the Minister of Finance proposes that basic tax exemptions be increased from $1,000 to $1,400 for a single person, and from $2,000 to $2,800 for married couples. In addition, it is proposed to retain the special deduction of $500 for all persons 70 years of age and over; the standard deduction of $100 would also be retained. If adopted, therefore, these proposals will ensure that a single person who has reached the age of 70 will be allowed an income tax exemption of $2,000; married couples will be allowed $3,400. Again, if adopted, these proposals will go a long way towards alleviating the tax burden for senior citizens between the age of 65 and 70.

Your Brief also calls for an increase in the Old Age Security to $150. As the Minister of National Health and Welfare pointed out in his reply to the Brief presented by the President of the National Pensioners and Senior Citizens Federation, to replace the existing Old Age Security and Guaranteed Income Supplement with a pension of $150 would mean an additional cost of $1 billion over and above the present cost of the pension and supplement. Furthermore, because the increased pension would be paid to all pensioners regardless of their need, this very substantial expenditure would be made without in fact achieving the objective of ensuring that it is those most in need who would receive the greatest assistance.

This is one of the many questions in the field of social security legislation which is now under intensive review. We must give most to those whose need is the greatest.

• (5:20 p.m.)

To achieve this aim however, in so complex a field as social security has required many months of study and will continue to receive our urgent attention in order to arrive at an equitable and practical formula.

At this stage, I cannot name a magic figure and say "yes, this is what we promise". What I can do is to assure you that your voice has been heard

[Mr. Badanai.]

and listened to, that your needs are not only appreciated but that they are prompting our thought and action in many, many areas: in our determination to curb inflation; in our new tax proposals; in our study of all social security measures.

The government has given a great deal of consideration to increases in federal pensions, old age pensions, retired civil servants, as well as veterans. I am confident that when the whole social security review is completed, a policy will be established in keeping with our well-rounded national social welfare program.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, on August 21 last, the Minister of National Health and Welfare (Mr. Munro) announced increases in pension benefits. In fact, the headline on his announcement was "Pension Benefits up Again in 1970". In the course of that announcement, the minister made much of the fact—and they are certainly correct figures—that 1,600,000 Canadians would benefit under the increase in the old age security pensions and that over 780,000 old age security pensioners would receive the guaranteed income supplement. If we look at that announcement of last August and at the record and attitudes of the Liberal government, we can only think "big deal". In their usual, inadequate, too late fashion, the announcement, which was in accordance with the 2 per cent allowable increases provision, amounted to $1.58 a month for old age security pensioners and 63 cents a month for those who receive the full guaranteed income supplement. If you were receiving the full $30, you would receive an additional 63 cents.

The five and dime store attitude of this government is apparent when it comes to old age pensions, but when it comes to themselves and their corporate friends they have vision, imagination and lots of money. The government acts in a manner similar to the attitude of certain persons to the south in the United States when referring to the poor and the coloured. It is said they need now to be treated with benign neglect.

Any Member of Parliament who says he cannot support this motion, particularly if he is on the government side, and at the same time approves expenditures of public funds for other purposes not nearly as necessary or urgent, is either being hypocritical or is purely partisan and cold-hearted. There have been increases in the salaries of executive assistants, the regional desks and the staff of the Prime Minister. Some of these increases may have been necessary in the name of better government, but no one can suggest that they have a higher priority than increases in the old age pensions.

Millions of dollars were spent on the *Bonaventure*. Everyone, including the Liberals, admits that this was a mistake. However, it did have a very high priority. An obsolete and ineffective non-defensive air defence system is being maintained. Surely, what we are doing in the way of pensions for Members of Parliament, and the almost indecent gabble by some backbenchers about what they need in the way of indemnities and expenses, should not have near the priority that is due old age pensioners. We do not need any more patronizing, gratuitous and unconscienable remarks such as "We have had enough of this free stuff" by the Prime Minister and others.

These kinds of pensions are a matter of right, not of privilege. When this Parliament refuses to act quickly on them, it is in fact denying the rights of Canadians. Much is made of how we must fight inflation. It is said these increases would be inflationary. The government asks where the money will come from.

In their fight against inflation the government attacks those who cannot defend themselves. They attack those who not only did not cause inflation, but who are the first and worst victims of inflation. Others can defend themselves in an inflationary situation. They can not only defend themselves, but they can live with it. Corporations do very well defending themselves. Organized workers defend themselves through bargaining and, if necessary, strikes. The wealthy individuals can defend themselves. In an inflationary situation the unorganized, the farmers, fishermen, recipients of veterans' allowance and old age pensioners are victims who cannot defend themselves.

The hon. member for Fort William (Mr. Badanai) stated that an increase in pension to $150 a month would cost $1 billion. Mr. Speaker, I only say "So what?" There are places where this money can be obtained through a reallocation of priorities in present government expenditures. There should be a proper levying and more taxing of those who have the wealth in Canada. One need only look at the latest figures on net profits of corporations after taxes to see what is happening. They escape paying their fair share of the tax burden in Canada. If one wishes to accomplish two things at the same time, raise additional funds for old age pensioners and

fight inflation, one only needs, to attack those who have been well able to defend themselves.

According to figures received from the Dominion Bureau of Statistics, the mines, quarries and oil wells, the poor social aid candidates, had a net profit of $417 million at the end of 1968. This group of industries, along with the Manufacturers' Association and the Chamber of Commerce, indicated they would co-operate to fight inflation. How did they co-operate, Mr. Speaker? At the end of 1969 their net profits after taxes were $798 million, an increase of $381 million in one year. This does not even remotely resemble good conscience and good corporate Canadian citizenship.

The food and beverage industries, one of the worst perpetrators of cost of living increases for old age pensioners, had an increase in their net profit of $47 million from 1968 to 1969. The chemical and chemical products industries, our friendly polluters, did not do quite as well. Their net profits after taxes were $151 million at the end of 1968 and $156 million at the end of 1969. Surely, some of this money could be made available to old age pensioners.

Among the most guilty of all who perpetrate hardships upon those who are old and poor are the financial and insurance industries. At the end of 1968 their net profits after taxes were $530 million. In 1969 this increased to $586 million. This is the area the government should attack when fighting inflation, not old age pensioners and veterans. The list I have is even longer. I have already said that the trade unions can protect themselves. However, in the course of protecting themselves they must justify any increases they receive either to offset increases in the cost of living or by a comparable increase in productivity.

• (5:30 p.m.)

One reads accounts of weeping and wailing in the financial press during the last several months because dividends are down by 50 cents or a dollar from this or that corporation for the quarter or for the year. Isn't it too bad? Isn't it about time they made a contribution toward fighting inflation? The increase in old age security pensions announced last August does not come close to keeping up with the increase in the cost of living.

My hon. friend from Winnipeg North Centre (Mr. Knowles) pointed out there has been an increase of 17.5 points in the cost of living index since 1966, an increase amounting to 15.7 per cent. In that period old age pensions have been increased by 6.1 per cent. To keep up with the increase in the cost of living would require an additional 9.6 per cent, bringing the present pension up to $87.22 a month instead of the present $79.58. It would mean increasing the guaranteed income supplement to $34.89 from $31.83, for a total maximum of $122.11.

This, surely, ought to be acceptable to the "nickel and dime store" attitude of the Liberal government. This would be a minimum. We believe $150 would be more like it, or even the $140 which my hon. friend from Winnipeg North Centre would agree to, very reluctantly. The hundreds of thousands of families who are attempting to live on these pensions are existing at the poverty level or just below. Every hon. member gets letters drawing attention to such people. I have had my share of these letters. I have received good co-operation and sympathy from the members of the Pension Commission and the Veterans Affairs Department, but these people can only operate within the terms of the regulations and legislation. All one can do is hope they will interpret a piece of legislation widely enough or that there will be enough flexibility in some regulation to enable a small, additional amount to be paid to a worthy and worth-while citizen who desperately needs it.

Another group is still left out—the CNR pensioners. I hope a standing committee of this House will deal with their situation this year. Something has been done about those who have retired from the public service, and retired armed forces personnel. Here is a group whose needs have yet to be considered. The hon. member for Fort William told us about the work the parliamentary committee has been doing during the summer holidays and since. I am sure the committee has met for many hours and done much hard work. But the hon. member neglected to tell us that the committee had been denied any authority to recommend pension increases. This is an emasculated committee. It can recommend changes in the regulations and minor administrative changes; no doubt these are necessary, and the recommendations made are good ones. But it cannot recommend what is really required. It can report on statistics, hear briefs and review the regulations, as the hon. member did; and it can end up, as the hon. member did, with a lot of platitudes. We have been given a white paper on veterans

pensions and now this white paper must wait for another white paper on social security measures. No doubt a further white paper will be published, following that, telling people how to spend the money.

The hon. member for York North (Mr. Danson) regretted that the motion is worded in such a manner that he cannot vote for it. I tried to note as accurately as I could some of the words he used. He said priority should be given to the needs of our senior citizens, but he cannot vote for the motion. He said we were giving the pensioners their own money, but he could not support the motion. Again, we heard more of those patronizing remarks, those platitudes about pensioners, those phrases in favour of motherhood and against sin. I hope that when the minister speaks he will take the hon. member for York North, the hon. member for Fort William and others on the government side off the hook by announcing that the government accepts this motion; or he should tell the House or make clear to his hon. friends behind the curtains that as far as the government is concerned, any hon. member can vote as he wishes—in other words a free vote. Or a third alternative is that hon. members, including government supporters, should vote as they wish.

An hon. Member: But it is supposed to be a non-confidence vote.

Mr. Benjamin: In any of these circumstances, if the motion passes, the mover of the motion and the NDP group generally would not consider it to have the effect of a vote of no-confidence.

An hon. Member: Then why did he move it?

Mr. Benjamin: We consider the interests of the old age pensioners as having greater priority than any partisan, political interest there might be in trying to win a non-confidence motion and forcing all the members on the government side to vote against it.

The motion is deliberately worded so as to be identical, almost, with the wording of a private member's motion. I am no expert on the rules or on the Standing Orders, and I realize this is no time to brag about it. But this was the only way in which my hon. friend could get a motion on the Order Paper upon which a vote would be taken. Had he put the motion forward under the other Standing Order, no vote would have been taken and I suspect the platitudes from hon. members on the other side would have increased in number and volume. The motion was deliberately worded so as not to express non-confidence. It was deliberately designed by my hon. friend from Winnipeg North Centre so as not to condemn, and there is no member of this House who can carry water for him when it comes to understanding the rules and procedures of this chamber.

An hon. Member: Who would want to?

Mr. Benjamin: The motion can be voted for by any hon. member with or without the approval of his party. It cannot be considered a motion of non-confidence. I ask hon. members to consider the number of times they have called on constituents who live in housing fit only for cattle, who have to meet drug bills which eat up a great deal of the old age pension money which should be spent on food, clothing and shelter. These people do not receive sufficient income to enable them to move into senior-citizen housing. Homes operated by voluntary institutions have waiting lists as long as your arm, and as for those privately owned, only the relatively well-to-do can afford to move into them.

• (5:40 p.m.)

This is not a motion of non-confidence. All the motion asks is that the government consider. Whether or not the government does so is for the government to decide; there is nothing in the motion requiring the government to consider. Should this House pass the motion, there is passed on to the government, for the government's information, the views of the members of this House of Commons. Thereafter the responsibility is the government's, to take whatever action they so choose, whenever they wish to do so. That, purely and simply, is the entire intent of this motion; it asks the government to give consideration to taking action now while we are waiting for the white paper on social security.

Every member of this House knows that it will be some time before the white paper is published, and I hope the minister will indicate today when that will be. Then some time will be required to study the white paper and to hear briefs. No doubt a standing committee will spend weeks, perhaps months, studying the subject. At the earliest, legislation will not be introduced until one year from now.

Surely action retroactive to January 1 last can be taken now in order to provide an increase in the old age security pension and the guaranteed income supplement to tide our pensioners over. Their need is urgent. I agree

with my colleague from Winnipeg North Centre that tens of thousands of Canadians are facing an emergency situation. I am certain no member of this House would disagree with the intent of the motion. Therefore, I plead in the name of humanity that tonight this House vote unanimously for the motion on a recorded division.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, it is a pleasure to take part in the debate on this motion which is so important to many senior citizens, veterans and their dependants in my riding, and indeed all across the country. As a member of the Standing Committee on Veterans Affairs of the House of Commons, I intend to spend much of the short time allotted to me today in discussing the government's white paper on veterans pensions which is now before the committee. However, before doing so I should like to comment on that part of the motion which relates to the old age security pension and to improving the quality of life of all our older and retired people.

In a speech I made in the House of Commons on October 28, 1969, I stated that I could see no reason why the old age security pension and the guaranteed income supplement could not be at least increased annually at the same rate as the cost of living increased. I also suggested in my speech that the guaranteed income supplement be increased by at least $25 a month, at a cost of about $150 million a year, in order that the 500,000 of our senior citizens with no other income at all should receive substantial help.

In addition to that, in a speech I made here last April 6 I gave detailed reasons why I am in favour of a guaranteed annual income plan linked to work incentives. While I am still of these opinions, I am willing to wait for the white paper on social security reform which is to be issued in the next couple of months to ascertain how the government proposes tying in and co-ordinating proposals regarding senior citizens and social welfare proposals affecting all age groups of our population.

We have before us today a very strangely worded motion as it relates to veterans benefits. Not only is the hon. member for Winnipeg North Centre (Mr. Knowles) aware that the Minister of Veterans Affairs (Mr. Dubé) is heading a delegation of Canadians at important ceremonies in Holland marking the twenty-fifth anniversary of that country's liberation; he is also fully aware that the minister has stated repeatedly in the white paper, in the committee and in this House that the rates of both pensions and war veterans allowances are currently being carefully reviewed by the government.

The hon. member would have the government effect increases immediately—this afternoon. It seems to me that the government's approach is a very clear and rational one which will ensure greater benefits for all Canadians and for veterans in particular. The reasoning behind this course, this assessment of all aspects of social legislation, has also been made very clear and is, to me, unimpeachable. I for one do not want to see a hodge-podge of social programs developed much further without this serious effort to co-ordinate our approach.

On June 17 last year the Prime Minister (Mr. Trudeau) made this clear in an answer he gave during the question period, when he said as reported at page 10242 of *Hansard*:

> Of course, Mr. Speaker, this is linked to the policy which has been acknowledged by the government, that we have to review all aspects of social legislation. We are doing this; we do not want to settle special cases. A special plea can be made not only for the veterans but for old people, for retired civil servants, and for all sections of people in society. We are trying to establish a policy that will review this legislation at as little cost to the Canadian people as is necessary.

In the white paper on disability pensions, the government also stated:

> There have been far-reaching changes in Canada's social and economic environment since the pension program was first introduced 50 years ago, and in particular many new social development programs of various kinds have meanwhile been initiated. These numerous plans have evolved individually over the years, and the government considers that the time has come to examine the entire fabric in order to achieve greater consistency between the various elements, and to eliminate unintended gaps or duplications.

Since that time, of course, the minister has repeatedly assured this House that these rates were very seriously being reviewed in their context of the whole fabric of social legislation. Furthermore, both the Prime Minister and the minister have assured the House that the fact these rates are included in a review of social legislation in no way implies that the government looks upon them as social welfare. Quite the contrary, it has been repeatedly stated that veterans legislation is, of course, social legislation. It is certainly not economic, cultural, external affairs or defence; it definitely falls under the broad category of social legislation.

However, no one on this side, to my knowledge, has ever said that veterans pensions are social welfare—because they are not. They do

fall under the broad heading of social legislation, but are more akin to workmen's compensation. There is no means test involved; there is no needs test involved. Disability pensions are awarded to veterans who are entitled as of right, and are based on degree of disability and not on other earnings.

While on the subject of pension rates, may I say that substantial increases have been implemented during the last six years. For instance, in 1964 there was a 10 per cent increase, in 1966 a 15 per cent increase, and in 1968 a further increase of 15 per cent. In other words, over the last six years we have had increases amounting to more than 45 per cent on a compounded basis, and I am confident that this government will continue to meet its obligation in this area in an even more co-ordinated, thorough and effective way.

The hon. member for Winnipeg North Centre may try to take advantage of allotted days if he wishes, but this government is taking advantage of planning, co-ordination and progressive thinking to provide the very best in all its social programs.

I have spoken about pensions and I should like to comment briefly on war veterans allowances. The War Veterans Allowance Act came into force in 1930 and has been referred to by legislators and veterans organizations as "the burned-out pension". It was so-called because the studies which led to its being came to the conclusion that returned servicemen of World War I were pre-aged by reason of the hardships of wartime service. A means of maintaining the veteran who had no disability pension or a small pension and who was unable to provide for himself in the employment field, was provided through the act.

• (5:50 p.m.)

Over the years the act has been changed many times and the results have been the liberalization of the legislation. At the present time the act provides for an allowance to be paid to any male veteran, most commonly a Canadian veteran of World War I or World War II who served in a theatre of war or who is in receipt of a disability pension. In addition, that veteran must have attained the age of 60 years and be permanently unemployable because of physical or mental disability, and so on. The allowance may be paid at age 55 to a female veteran or to the widow of a veteran with the disability clause applying at a lower age. The payment of the allowance is subject to a means test. At the present time there are 82,000 recipients of the allowance, about 35 per cent of whom are widows. The cost of the allowances over the past year has been about $92 million.

In 1962, part XI of the Civilian War Pensions and Allowances Act was approved by Parliament to provide benefits, similar to those provided to veterans under the War Veterans Allowance Act, to certain groups of civilians who performed meritorious service during World War I or World War II and to their widows and orphans. There are 2,200 recipients under this legislation, and they receive allowances totalling about $3 million.

In addition to the war veterans allowance there is also the assistance fund regulations which provide for the payment of supplementary awards to the recipients of war veterans allowance and civilian war allowances by way of continuing monthly supplements when the recipient's income is insufficient to meet the basic monthly cost of shelter, fuel, food, clothing, personal care and specific needs of dependants or single payments to meet emergencies, or when it is considered that such alternative form of assistance would best meet the established needs of the recipient. There are some 17,400 recipients who were assisted by these supplemental moneys during the last fiscal year, involving a total expenditure of about $7.3 million.

Recipients of war veterans allowance and civilian war allowances are provided with free medical and hospitalization coverage in Canada. This care may be provided in a departmental hospital or a contract hospital under the veterans treatment regulations. With the commencement of the provincial hospital insurance programs, financed through premium payments and/or taxes combined with cost-sharing arrangements made through federal-provincial agreement, it was realized that recipients would often prefer to be hospitalized in hospitals as close to their homes as possible. Provision was therefore made to pay the appropriate premiums on behalf of the veteran and civilian recipient. The cost of these premium payments in the last fiscal year amounted to about $1,146,000. By these means veteran and civilian recipients receive full hospital and medical coverage either in a DVA hospital or through the hospital or doctor of their own choice.

Not only has this government undertaken to review pension rates and allowances; it has quickly moved ahead in another area of tremendous benefit to veterans—the white paper

on disability pensions, mentioned here previously by the hon. member for Fort William (Mr. Badanai), which undoubtedly is the most comprehensive overhauling of veterans legislation since the end of the second world war. This white paper which is before the standing committee, on which I have the privilege to serve, is of course based on the 148 recommendations of the Committee to Survey the Work and Organization of the Canadian Pension Commission or, in other words, the Woods committee.

As the full name of the committee indicates, basic rates were not within its terms of reference. The essence of the white paper, which incorporates roughly four-fifths of the 148 Woods committee recommendations, is of course to streamline the Pension Act and its administration and to place more emphasis than ever on the human element to ensure that the Pension Act is up to date and designed to serve our contemporary standards of efficiency and social justice.

Mr. Speaker, at present there are about 950,000 veterans in Canada. Of these, some 136,000 and some 30,000 widows and dependants receive disability pension as of right amounting to nearly $250 million every year. Therefore, these pensions and the way in which they are administered under the Pension Act by the Canadian Pension Commission are a very important contribution to the improvement of the quality of life of these very special people to whom we all owe so much.

Perhaps it would be in order to give a little more of the background of the Woods report and the white paper. In 1965, Hon. Roger Teillet, the then Minister of Veterans Affairs, appointed a three-man committee to survey the work and organization of the Canadian Pension Commission under Mr. Justice Mervyn Woods as chairman. This committee conducted hearings in Toronto, Quebec City and Ottawa over a period of nearly three years, and reported in March, 1968. Subsequently, an interdepartmental committee was set up to study in depth the 148 recommendations.

When this committee concluded its exhaustive review, the minister conducted an extensive review in order to make his recommendations. These were considered by his cabinet colleagues and in September, 1969, a white paper was published setting forth a general policy standard of the government relating to veterans pensions. In his remarks today the hon. member for Fort William indicated that the Woods committee report and the white paper were referred to the Standing Committee on Veterans Affairs which commenced its hearings back in September, 1969. The committee held 35 meetings and heard witnesses representing the Department of Veterans Affairs, the Canadian Pension Commission, the Veterans Bureau, the Royal Canadian Legion and 14 other national veterans organizations.

Mr. Speaker, I wonder if I might call it six o'clock.

Mr. Deputy Speaker: It being six oclock, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Weatherhead: Mr. Speaker, in resuming the remarks I began before supper time, it now appears from the testimony of the witnesses that the government and the veterans organizations are in agreement on the substance of 103 of the Woods committee recommendations. There remain only 33 recommendations on which the government and the veterans organizations are not in complete agreement, 12 of which are under review by the government. However, even among the 33 recommendations on which full agreement has not been reached, the differences in some instances are about the best means of giving effect to an agreed principle.

I should now like to mention a few of the beneficial proposals of the white paper. The first is in respect of Hong Kong veterans. In view of the evidence now available, the government believes that the Hong Kong veterans deserve special consideration. As outlined in the White Paper, the government proposes to introduce legislation which will provide a minimum pension of 50 per cent for all Hong Kong veterans who apply for it and who have assessable degrees of disability. An important result of this legislation will be the full protection of dependants of Hong Kong veterans.

The second proposal is with respect to exceptional incapacity allowances. The government recognizes that many pensioners with 100 per cent disability suffer, because of the nature of their disability, extraordinary physical, social and psychological impairment for which there is no adequate compensation under the present pension system. In order to

provide additional relief and support to these pensioners whose disability is exceptional in degree or scope, the government proposed to introduce an exceptional incapacity allowance of not less than $400 and up to $1200 per annum.

This proposal was made after exhaustive study of the whole question of disability compensation, and it is designed to assist all categories of 100 per cent disability pensioners ranging from multiple amputees to polio victims. In his statement to the Standing Committee on Veterans Affairs on December 4, 1969, the minister outlined in detail the principles which will govern the awarding of exceptional incapacity allowances. They are ten in number and clearly indicate that this important new measure will be sufficiently flexible to meet the needs of this special category of pensioner.

With respect to pension adjudication, it has now been generally accepted that one of the key recommendations of the Woods committee report is the establishment of an independent appellate body with the power of final interpretation of the Pension Act and with final power of adjudication in all pension matters. I am pleased that the government has accepted the principle of this recommendation and proposes to restructure our pension system to include a forum for pension appeals.

The proposed new pension structure really provides for three independent levels of adjudication and divorces the purely administrative function from the judicial function as much as possible. Furthermore, it ensures that at no time will the pension applicant's case be considered by persons who have previously adjudicated at any stage. The new structure thereby meets one of the major criticisms of the current pension adjudication system. There are, of course, other methods of effecting the introduction of an appellate system in the field of pension adjudication, and much evidence has been presented to the Standing Committee on Veterans Affairs by veterans organizations in this regard.

I am pleased that the minister has made it quite clear that these other alternatives will be given full consideration and that the white paper is not an immutable government position. Whatever structure finally evolves, I am confident that it will provide the best solution to the problems relating to pension adjudication in Canada.

There are many other important benefits in the white paper upon which I do not have time to comment tonight, but I am confident that when all the white paper proposals are implemented, Canada will have one of the most generous and equitable war disability pension schemes in the world.

It is with a dedicated staff of over 10,000 and an estimated budget this year of nearly half a billion dollars that the Department of Veterans Affairs carries out the obligations set out in the Veterans' Charter. I have not even touched upon the many important facets of their work which contribute tremendously to the quality of life of Canada's veterans. The hon. member for Fort William referred to the Veterans Land Act and to the very effective treatment services program which is carried out in our nine veterans hospitals; and there is a new hospital being built at Ste. Anne de Bellevue, near Montreal, to be completed later this year.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, the resolution we are debating is quite specific, clearcut and restrictive in its application. This being so, I indicate at the outset of my remarks that I strongly support the resolution. Because it is worded in such precise terms it should be quite easy for the members of the House generally to lend their support to it.

Mr. Woolliams: Even the Grits.

Mr. Dinsdale: Yes, even the Liberals, as my friend the hon. member for Calgary North (Mr. Woolliams) indicates. It should be quite easy for all members of the House to support the resolution. It asks the government to give consideration to an immediate and substantial increase in the basic amount of the old age security pension and in veterans pensions and allowances. This focuses on the area of greatest need in our social security programs as they apply in the first instance to our senior citizens and then to the veterans of Canada. It also contains the important proviso that further steps be taken to improve the quality of life of all our older and retired people. The resolution is couched in such general language that I do not think it presents any formidable barrier for hon. members on all sides of the House to support it.

• (8:10 p.m.)

During the course of debate thus far, those who have spoken on behalf of the government have tended to resort to the red-herring

technique and point out all the wonders in the brave new world of the future. When we have deliberated at length upon the white paper arising from the Woods report, and after the government in its wisdom has digested and dissected the contents of that report, we will arrive at the most comprehensive welfare program for all the needy citizens of Canada. I say this is a red-herring technique because it begs the question before us today, which is the immediate needs of the two groups, our senior citizens and veterans. I want to concentrate on these two areas this evening.

In this discussion, Mr. Speaker, we are concerned with the matter of pensions generally. We are concerned with pensions as a means of providing continuous income following retirement or, in the case of veterans, because of disabilities and problems contracted in their service to Canada. Sometimes I think that the private sector of the economy is much more alive and alert to the need for an adequate pension program than is the public sector. Pensions are the most important means of maintaining income beyond the productive years of all Canadians. This principle has been well recognized over many decades so far as the special service of our military is concerned.

The old age security pension was established as a matter of right back in the 1950's. It was placed on a self-supporting basis by the Parliament of that day and it is largely on that basis that this fund is maintained. I am sure everyone who looks at the matter objectively will agree that inflation has placed the rate of payment under the old age security program away out of line with the cost of living. There is no reason at all, Mr. Speaker, why the intent of this resolution should not be carried out immediately—and "immediately" is the operative word—by the government. Pensions of all kinds, whether they be in the private or public sector, are awarded for services rendered. I think this government would be remiss in its duty if it did not accept the suggestion in the resolution and proceed to deal with obvious inadequacies in this area.

A moment ago, Mr. Speaker, I said that sometimes I get the feeling that the private sector is much more alert and conscious of its obligations in this regard than is the government. In this connection I should like to bring to the attention of the government and the House the action being taken on behalf of employees of Canadian National Railway who

[Mr. Dinsdale.]

have been endeavouring to have discussions with the government in order to bring their pension scheme into line with changing economic and social circumstances. I shall read briefly from the petition of the CNR employees to indicate how reasonable are their requests. This petition states in part:

> At a time of rising cost of living, at a time when the railway worker is being held the hardest to the government wage guidelines, we need the right to adequately provide for our own future, we need the right to provide adequately for those who retired ahead of us, we need the right through our own union to negotiate the following changes into the plan.

These are the reasonable requests that the employees of the CNR are making at this time. It is my understanding that the government, as it has in so many instances, is failing to come to grips with this aspect of pension problems. The CNR employees make the following suggestions:

> 1. Increase the benefit to not less than 2 per cent per year.
>
> 2. Widow's allowance to be increased to 75 per cent.
>
> 3. Voluntary retirement at age 55 with no deduction for early retirement.
>
> 4. Cost of living clause to cover past, present and future pensioners.
>
> 5. All improvements to be retroactive to cover those persons on pension.
>
> 6. The pension board include a pensioner, and the chairman be neutral.

Mr. Speaker, I am sure you will agree that this petition is eminently reasonable and there is no valid reason for the government having thus far neglected to respond to it. This resolution is necessary because the government is dedicated to the pursuit of the just society—we might use the phrase "social justice"—rather than pursuing social justice with alacrity and has been using the old stalling devices of delay and buck-passing.

It used to be that politicians, particularly when in power, resorted to royal commissions as a basis for delay. This government has a new technique, the establishment of innumerable committees. In the first instance a royal commission report comes into the hands of the government. Then the government prepares a white paper. The white paper is referred to a Parliamentary committee, where it is deliberated upon for an interminable time. Months and even years go by in the process. This has resulted in the situation where we have disparity between the rising cost of living and the level of compensation payment under the two pension plans being discussed today.

This, Mr. Speaker, is the technique being used by this government dedicated to the pursuit of the just society. It was used in the war on poverty, which has obviously died completely and now has been relegated to the obscurity of a Senate committee which I understand will be proceeding for many more months. In the meantime, the poor get poorer and the rich get richer. Certainly it is the technique that has been adopted in handling the excellent report of the Woods commission. The hon. member for Scarborough West (Mr. Weatherhead) has given us a summary of some of the features of the white paper arising from the Woods commission report on veterans pensions.

• (8:20 p.m.)

We agree that many of the suggestions in that report will be of benefit ultimately to the veterans of Canada. The problem, however, is that it has taken months, if not years to survey the problem up to the present time. The level and rate of payment right across the board on veterans pensions is way out of line because of the runaway inflation which has exercised the government to such a great extent during the past two years.

I hope that the Minister of National Health and Welfare (Mr. Munro), who is in the House tonight will enlighten us and give some assurances on the progress of this comprehensive review that has been under way for a considerable length of time. I read a speech that the hon. gentleman made to the Hamilton Chamber of Commerce in Hamilton in October, 1968. On that occasion the minister gave the definition of social welfare in the modern context. It is a definition that resulted from an international meeting of experts on welfare programs under United Nations' auspices. The following is the definition which the Minister of National Health and Welfare obtained from that source. According to him, social welfare is:

> —a body of activities designed to enable individuals, families, groups, and communities to cope with the social problems of changing conditions ... ensuring that the human and material resources of the country are effectively mobilized and deployed, to deal successfully with the social requirements of change—

The minister then added this postscript:

> This, I think, is an excellent definition of the new role of welfare, so good, in fact, that one almost doesn't know where to begin in seeking to carry it out.

I think this explains the reason for the protracted process this government has adopted in approaching the solution of welfare problems in modern Canadian society. It has been stalling its action because, as the minister said, it does not know where to begin. Well, you have to begin somewhere, Mr. Speaker. I refer to the excellent suggestions brought forward tonight that would deal with the two areas of urgent need. The first is, bring the pensions of our senior citizens into line with the cost of living immediately. That could be done and would have the unanimous support of members on all sides of the House. Second, let us deal with the disparity that has developed because of the long delay in the area of veterans benefits.

There is another aspect of the veterans program that I want to deal with specifically tonight. It concerns the suggestion that has come from the Minister of Veterans Affairs (Mr. Dubé) that the government, in its social planning, internal discussions and deliberations now in process, is moving in the direction of classifying veterans benefits as part of the general social welfare or social policy program. The hon. member for Scarborough West dealt with this matter and seemed to give his blessing to the current process. I do not want to misquote him. I listened carefully to what he said. He skirted around the subject by saying that veterans benefits are for special services rendered, but at the same time are regarded as coming within social policy as, for example, does the Workmen's Compensation program.

I disagree strongly and vehemently with this interpretation, Mr. Speaker. The Veterans' Charter in no way can be compared or related to the sort of compensation that is available under the Workmen's Compensation program. The very term Veterans' Charter indicates that the charter is a bill of rights, a separate Magna Carta given to the men and women who have served this nation, during World Wars I and II. It is unique from that standpoint. Any attempt on the part of this government or spokesmen for the government to downgrade that basic bill of rights for the veterans will be strongly opposed by the members of the official opposition, by members of veterans associations, and by the people of Canada.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but his time has expired.

An hon. Member: Carry on.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Dinsdale: Mr. Speaker, I thank hon. members for their consideration. I will try to bring my remarks to a conclusion as quickly as possible. The point I want to make is that the veterans charter is a unique method that the country has adopted of rewarding the men and women of Canada who served this country in time of war. The government's shilly-shallying and procrastination, and the minister's statement that there will be no increase in veterans benefits until the over-all welfare review has been completed by the government and that these benefits are part of the social policy, giving rise to the suspicion that the government is attempting to remove the fundamental rights of the veterans of Canada.

I trust, Mr. Speaker, that the Minister of Veterans Affairs, the Minister of National Health and Welfare, or whoever speaks for the government, tonight will end once and for all this element of uncertainty that has been introduced and will state in specific terms that the discrimination against the veterans of this country will be removed immediately as the resolution suggests. I hope a spokesman for the government will state unequivocally that the Veterans' Charter, the fundamental bill of rights of the veterans of Canada, will not be violated.

• (8:30 p.m.)

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I support the general intent of this motion but I will not vote for it, for two reasons. The first is that despite its non-critical wording, it is in fact a no confidence motion. In answer to a point of order raised this afternoon by the President of the Privy Council (Mr. Macdonald), Your Honour ruled that in his opinion this would be a no confidence motion in view of the fact that it was made under Standing Order 58(9).

The hon. member for Winnipeg North Centre (Mr. Knowles) maintains that it is not a non-confidence motion, but I feel we must respect the opinion of Mr. Speaker and not the hon. member who introduced the motion. If the hon. member for Winnipeg North Centre had really wanted the members of this House to unanimously vote in favour of his motion, he would not have presented it under Standing Order 58(9) which explicitly uses the wording "no confidence motion". It states:

> In each of the periods described in section (5) of this order, not more than two opposition motions shall be no confidence motions against the government.

[The Acting Speaker (Mr. Béchard).]

The Standing Order then provides for these no confidence motions. If the hon. member for Winnipeg North Centre was sincere in the statement that he would like to have unanimous support for his motion, it is hard to understand why he presented it under this Standing Order. Members on the government side are faced with a dilemna. To many members of this House the wording of the motion is acceptable. It is therefore unfortunate that it has been moved under this Standing Order. Many members would like to vote for the motion, but they are faced with the dilemna of not only voting for a motion which asks that the government give consideration to certain proposals, but also of supporting a no confidence motion.

I have another reason for not supporting this motion, although I accept the general intent and sentiment behind it. It is a much more important reason. In the motion, the hon. member for Winnipeg North Centre states that we should give consideration to an immediate and substantial increase in the basic amount of the old age pension. I disagree with him. I do not believe we should increase the basic amount of the old age pension. Any increase should be directed to the guaranteed income supplement. This matter was debated at great length when the guaranteed income supplement was introduced three years ago. At that time there was a difference of opinion between the hon. member for Winnipeg North Centre and myself as well as many members on the government side. My position is that we should direct the limited resources of this country so that those who really need assistance will receive as high a pension as possible. I cannot see any reason for giving flat, across-the-board pensions to those who are still earning salaries. Some members of this House are old enough to receive this pension. I cannot see giving across-the-board pensions to them and to people who are receiving large pensions from their companies, rental income or income from interest and dividends.

Since we have to raise the money we pay to pensioners through taxation, we should direct these moneys to those who really need assistance and who are old. I would change the wording of this motion to read, "give consideration to an immediate and substantial increase in the guaranteed income supplement".

The hon. member for Winnipeg North Centre suggested a pension of $150 a month. I would support that, but not as a basic, flat

pension payable to everyone 65 years of age or over. I would pay it only to those who qualify for the guaranteed income supplement. It should be paid to those whose incomes from all sources is below $150, under the same system as the $30 income supplement is now paid.

I think the supplement should be raised from $30 to $70. Also, instead of the 2 per cent maximum that we now have on the cost of living increase each year, we should have an increase fully measurable with the cost of living increase which would be payable to those who receive the supplement. I think we should freeze the basic pension at what it is now and in the future pay extra money to those who qualify under the guaranteed income supplement system. I would like to see that supplement as high as $150.

I merely wanted to put these comments on the record. I support increased pensions for the older people, but I think they should be based on a supplement system. I reject a flat increase in the basic amount. I would remove the maximum 2 per cent cost of living provision, to be replaced with a full percentage increase in the cost of living each year.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, quite frequently when motions come before this House there are speakers who make cogent arguments to oppose them. This motion is somewhat different. I do not believe a single member in this House would say tonight that there is no need for an increase in the basic pension of old age pensioners or veterans. If there is anyone here who will state it on those grounds without quibbling about language or because it might be a no-confidence motion or because they believe that the pensions of old age pensioners, veterans and their families are presently adequate, now is the time for him to rise and let us know. Speak now or forever hold your peace!

For those who spoke in this debate indicating sympathy for those people who are suffering because of inadequate pensions, people who have given the best years of their lives to this country, whether on the battlefield or in the pioneer industries or services of this country, to be prepared to vote solidly against increasing these pensions at this time is not honest or straight thinking. I do not think this is even wise from a survival point of view.

Canadians are pretty sick of double talk. They are sick of hearing committees, investigations, white papers, task forces and all the other means of procrastination and prolongation being carried on day after day, week after week, month after month and year after year and receiving nothing in the line of increased pensions.

Some hon. Members: Hear, hear!

Mrs. MacInnis: I wish to deal very briefly with the bald facts of the situation as put forward this afternoon by my colleagues for Winnipeg North Centre (Mr. Knowles) and Regina-Lake Centre (Mr. Benjamin). I wish to indicate why I believe that this is an emergency situation at this time. I read the words of the motion at this point:

• (8:40 p.m.)

That this House calls upon the government to give consideration to an immediate and substantial increase in the basic amount of the old age security pension and in veterans pensions and allowances, and this House also urges that still further steps be taken to improve the quality of life of all our older and retired people.

The hon. member for Notre-Dame-de-Grâce (Mr. Allmand) does not need to worry about his pension. That is the case of a lot of us here. If we were less secure ourselves we would be of more use to the pensioners and to the old people generally.

This is an emergency situation. Since 1966 when the supplement came into force the cost of living has risen by 15.7 per cent. That is more than two and a half times as much as the increase in the pension and supplement together, which rose from $105 to $111.41, a total of 6.1 per cent. By what logic can the hon. member for Notre-Dame-de-Grâce maintain that he does not favour an increase in the basic pension when he knows that the cost of living has more than doubled in the period we are considering? Let no one bring forward that old chestnut—

Some hon. Members: Hear, hear!

Mrs. MacInnis: —about giving the pension to millionaires who do not need it. What is the income tax for, if it is not to bring back the amount of such a pension from people who do not need it? I am tired of that argument, especially here in the House where we ought to know the facts of the situation. I imagine the hon. member for Notre-Dame-de-Grâce can find some audience in his constituency which does not realize it is possible to get back this money in income tax.

Mr. Allmand: Can I ask the hon. lady a question?

Mrs. MacInnis: If the hon. member is quick about it; I have only a few minutes left.

Mr. Allmand: Does she feel the government gets back the whole amount of the basic pension through the tax system?

Mrs. MacInnis: If the government does not get it back, it should. Under a fair tax system, it would. We are saying that taxation should be based on ability to pay. We shall go for the full amount in that line. If the amount is not retrieved at the present time, who is in the driver's seat? It is not the NDP.

Some hon. Members: Hear, hear!

Mrs. MacInnis: The situation is similar in the case of veterans and their families. I did not realize until I heard it today that the terms of reference of the Veterans Affairs Committee specified that it can make no recommendation for increases in the pensions of veterans and their families. I do not think the veterans of this country have caught on to that, either; from now on I will make sure that the information reaches as many of them as possible. I think it is shameful that at a time when such a gap exists between the cost of living and the pitiful pensions of veterans, a committee of this House should be given terms of reference which preclude it from making recommendations to increase pensions and allowances. I think it is perfectly disgraceful.

Hon. members may think I am particularly indignant tonight. I have just come back from spending the weekend in my constituency and I have seen some of the results of this inflation-fighting of which hon. members on the front benches over there are so proud. I have seen what the war on inflation is doing to the people on old age pension and veterans pension, people who have been laid off because of restraints which amount of moral restraints as they apply to the rich and economic compulsion as they apply to the poor. I have seen elderly people in their pitifully small places trying to keep themselves dignified, neat and clean, and I have seen them trying to save a few cents on grocery items here and there. Yet we in this chamber are saying there is no emergency and that there is no need to increase the basic pension.

The worst of it is that every one of us here has had a similar experience. Every member knows that an increase in the basic pension is necessary. The other day I asked the Minister of Veterans Affairs (Mr. Dubé) when we might expect an end to this period of waiting—when the veterans could expect to learn that an increase was coming. He said he could give no idea of a date at the present time. We are told nothing can be done about it or any of these social security items until the entire white paper on social reform has been completed. We now learn that it will not be ready in time for action to be taken this session. In these circumstances the argument for an interim increase in pensions is irrefutable. There must be an immediate interim increase until we have had a chance to look after the long-term needs in the light of the white paper studies.

We in this party are not insistent about taking credit for pushing these ideas and urging that there should be an increase in the pensions. This afternoon we heard members on the other side quibbling about the motion and saying they would vote for it if it were worded just a little differently. I thought then, and I think now, that if the government cared a hoot for the old people and for the veterans of this country it would long ago have introduced a motion with the right words in it, one for which we could all have voted, without waiting for members on this side to find the proper words. It is hon. members over there who are under an obligation to introduce these things. Or, if they prefer, they can take the motion before us and change it around. I do not care what they do as long as they increase the basic pension. The minister knows there must be an immediate increase, bearing in mind that the cost of living has risen by almost 16 per cent since 1966, two-and-a-half times the amount of the increase in the pension.

We in this group have put forward various possibilities. We have argued that the least which should be done is to raise the basic pension to $100 a month plus $40 in supplementary benefits to bring the amount to $140 pending the white paper settlement. We accept that figure because the supplementary payment is 40 per cent of the basic pension. We have said: Raise the basic pension to $100 and the supplementary pension to $40 and the old people will be content to settle for it until the white paper is forthcoming.

I believe every member in this House wishes to see exactly that happen. All right, then. Why do they intend to stand up and vote against it? A great many members on the government side will do just that. Is it because the wording is not quite right? No, because it was possible for them to have brought in a motion of this kind, at any time, worded correctly. Or they could take it now

and change it, if it were only a matter of wording. This is the only way in which we could introduce such a motion and take it to a vote. We are sick and tired of listening to their expressions of sympathy, letting their hearts bleed red all over the green carpet while refusing to take action.

Why are they speaking in this quibbling way? They are doing so because they feel black guilt over the way they are treating the old people of this country. They find it hard to face them when they go back home, when they go into these places where the people are. The people know perfectly well that we Members of Parliament have been well looked after here and that other sectors of society are being looked after well. Yet we have no time at all for the people who pioneered and worked hard in this country and risked their lives in the wars.

• (8:50 p.m.)

Some hon. members have said that this is a want of confidence motion. Although I was not here for your ruling, Mr. Speaker, I understand that you ruled to that effect. Let me point out that it is entirely a matter for the government whether they make a big production out of it and try to score points. Perhaps they want to salve their consciences and save face on behalf of their backbenchers.

But the government, if they wanted, could recognize this for the challenge to find a solution that it is. The situation facing the elderly people and our veterans can be likened to the Red River flood a few years ago, or the Fraser Valley Flood, or similar catastrophes or disasters that have overtaken the people of this country. As the water creeps higher and higher, thousands and thousands of our old people are becoming increasingly frightened and bewildered, and indignant at the lack of government action to help them.

I receive letters from pensioners saying if only the government knew what their situation was they would surely do something about it. I try to tell these people that some government members do go into the homes of ordinary people and see conditions there. Or I tell them that surely the government has enough task forces, white papers, regional desks and all the rest of it to be kept fully informed. But still the government takes no action.

I remind the government that this does not have to be considered a want of confidence motion; the motion is not worded in that way. If the government had one iota of statesmanship, it would not make a big production out of the motion by regarding it as a vote of non-confidence; instead, the government could regard it as a problem that needs to be solved.

When there is no agreement that a problem exists, then understandably members of the House become partisan in their politics. But with a question like this one that has got to the stage where everybody agrees that the need of the people involved is desperate, this is no time for any quibbling as to whether or not the motion is one of non-confidence. This is the time for action.

The minister would not lose face if he were to provide for an interim increase in pensions. He has said—indeed, spokesmen for the government have said this—that the government cannot do anything final until the white paper comes down. But I have yet to hear anybody say that the government could not make an interim increase pending the white paper proposals. I therefore plead with the government to accept this course of action. I ask them to treat this problem as they would a national catastrophe, when all the forces of the government and of the public in general would be mobilized to help those in desperate danger.

If the government does not do this, then I should like to indicate what is going to happen. I can remember quite well what was the situation before we had old age pensions. I remember the despair of the elderly who in many cases could not get support from their families simply because these young families did not have enough money to go around. In any case, these elderly people were terribly anxious not to add to the burden of their sons and daughters with growing families. In those days there were cases where elderly people were actually hailed before the court and had to establish in court that their sons or daughters could not support them. Only then could they qualify for welfare or state hand-outs.

That was the position in which we put our pioneers nearly half a century ago. These people suffered privation, humiliation and indignity. Finally, we passed pension legislation to care for these people and to give them some measure of dignity; a measure of dignity for them and a measure of decency for ourselves. At least, we gave them a modicum of respect.

What is happening to these pensions today? They are being chipped and chipped away by an unhampered increase in the cost of living.

If we do not take the sort of emergency action that I have described, these pensions will erode in value to such an extent that our pensioners will be where they were 50 years ago, back on square one, to the days when we did not admit that we should even provide an old age pension. I remind the House that it was not easy to get the first old age pensions legislation through. Of course, it was said at that time that we could not afford it. After all, we never can afford social welfare legislation; it is always a case of jam tomorrow but never jam today. Every piece of welfare legislation has had to be fought for.

I urge that the government take the chance to do something for our pensioners now. We have been listening to expressions of sympathy from members in all parts of the House. However, I appeal to the members on the other side of the House to do something besides crying tears and shedding blood in this House. The place is getting a little messy with all that liquid floating around. If half a dozen members on the other side would vote for this measure, it would do more to move the government and to help the elderly people of this country than anything that even the eloquence of the hon. member for Notre-Dame-de-Grâce might accomplish. He ought to know about conditions in some parts of his riding.

Further, I suggest that if these hon. members would take this course, there would be no retaliation on the part of the government. Much as the front benches of the government would like to cow the backbenchers into submission, they would never dare discipline half a dozen of their own members who had the courage to stand up for the old people and veterans of this country.

Mr. R. E. McKinley (Huron): Mr. Speaker, it is a pleasure for me at this time to speak out in this chamber on behalf of our pensioners in Canada. We Canadians are living in a very affluent age. Through our own efforts we have raised ourselves to a standard of living that is envied by most of the world and we should be extremely proud of our achievements in this regard.

However, I suggest that we cannot be entirely proud of our accomplishments until we have remedied some of the serious injustices that exist in this country. Thousands of Canadians through no fault of their own are becoming increasingly deprived with each passing day. Canadians who have worked for a lifetime in Canada and have contributed to the nation's development find themselves trapped by inadequate pensions and incomes. Daily they watch helplessly as their pensions shrink further as a result of an inflation that has been brought about by many years of callous Liberal spending.

Some of these Canadians to whom I refer made special sacrifices in the defence of this country during world wars, though this is something that does not concern the Prime Minister (Mr. Trudeau), among others in the cabinet. But these veterans must not be forgotten. Others of them served in the government service, and often felt honoured to do so. Yet today people such as retired CNR employees must feel just a little bitter about the callous disregard of their plight by those in power. Therefore, we are here tonight to end this bitterness. We are here to prove to the Canadian people, and to our veterans and retired Canadians in particular, that although the Liberal government is cold and uncaring, Parliament is just. As members here, we can do nothing but plead their cause.

Let me speak for a moment about the old age security pension. Quite obviously, it is inadequate. This year the basic pension is $79.58. For those with no other income the government will provide an additional amount of $31.83. This provides a grand total of $111.41 a month, which comes to $1,336.92 a year. In this way it sounds even worse. There was a time when this amount of money represented a decent income, but it is completely inadequate in the Canada of the 1970s. It does not even reach the dizzy heights of the $30 a week which our friendly, smiling finance minister has indicated is sufficient to live on in this country. Even by his penny-pinching standards the pension must be raised.

• (9:00 p.m.)

I hope he will be here tonight to vote with his conscience, and I like to think he would vote in favour of the motion. However, I would hate to count on it. The sad thing is that we are not speaking of a small minority of our elderly Canadians. According to the government's own admission in the brief the Department of National Health and Welfare presented to the Senate Committee on Poverty, 474,000 Canadians, almost half a million, and 31 per cent of all elderly Canadians are trapped in this situation. These are the Canadians who have no other income and therefore receive the full guaranteed income

supplement. They are the Canadians who are attempting to eat, live and house themselves on $27 a week.

Mr. Speaker, this is impossible. Yet thousands of these people struggle on because their only alternative is to seek municipal welfare. We must take immediate action to allow these people to live with a little more comfort and a lot more dignity. The basic fact is that the pension is inadequate. But how should we, as concerned Canadians, go about increasing the support for these people without vastly increasing the onerous tax burden that the Canadian taxpayer is now carrying? I suggest that one way to minimize the cost of these much-needed increases is to raise the amount of the guaranteed income supplement rather than simply increase the basic old age security pension. In that way we could assist those who are most in need, such as those who have no other income, and not incur the very heavy cost of paying higher pensions to everyone, including the well-to-do. This is a course which we should consider very closely so that we might balance the very pressing needs of our retired Canadians and the obvious frustration of the Canadian taxpayer.

The effect of inflation on the position of those on fixed incomes, such as pensioners, has been mentioned in this debate. Inflation plays on the weak members of our society who cannot help themselves and who do not have the power to increase their level of income. Pensioners are the most tragic victims of inflation; they do not contribute to it but they suffer most from it. The present 2 per cent limit of inflation adjustment in respect of old age security must go. Its half-hearted defence is the most cold-blooded act ever perpetrated in this House of Commons. It simply is unjustifiable.

These comments, Mr. Speaker, apply with equal force to the situation of our veterans and retired employees of companies such as the CNR from whom all of us have heard in the last few weeks. These people cannot wait for government reviews, white papers and task forces because such things do not pay the grocer or the landlord. These people deserve more justice right now and not at some time in the future.

One might be tempted to ask how we propose to pay for the increases which are proposed. Our Prime Minister has a had habit of saying that if proposals cost money, then it is just too bad. The problem is assumed to disappear with the accompanying shrug of the shoulders with which we are all too familiar. The plight of Canadian pensioners cannot be shrugged off in this way by our Prime Minister or by any other government official who takes his responsibilities seriously. Yet it would seem we could pay for a large part of the cost of the essential increase in pensions by the elimination of much of the waste and the purposeless squandering of public funds by the government.

We might start with the Prime Minister's office. No concerned man could argue that there is a good deal of money for his own office but none for the poor pensioners of the nation. Other examples abound. The reports of the Public Accounts Committee are full of them. The Auditor General constantly points out the waste in this country, and all he receives for his trouble is criticism.

Let us be perfectly clear on this point. If there is insufficient money to pay for increased pensions, it is because of this government's mismanagement. Once again it is our senior citizens who must pay the price. This must end tonight. This House must express its conscience on behalf of those Canadians of whom I now speak. Unless this is done, we will have failed in our job and we might as well go home.

It is easy to demonstrate the callous attitude displayed by this government toward the people on pensions. Let us take a look at the white paper on taxation. The government is proposing to make it harder than ever for people to take care of themselves in their old age. I refer to the proposed plan to use profit-sharing as part of the pension base. I am quite sure many members in this House have received much correspondence recently in this regard. Some of you will be aware that I feel rather strongly about profit-sharing. I believe it has a great potential for this country and I feel it deserves every encouragement, especially in cases where people wish to use such an arrangement in providing for their old age.

A number of companies operate profit-sharing plans with taxation deferred for pension purposes. In one group of six companies some 40,000 Canadians are covered and more than $240 million is involved in employees shares of the profits of those companies which are being set aside to allow those employees to take care of themselves in their old age. Profit-sharing plans have been in operation for many years. They have been highly successful whether measured by the appreciation of the staff, the amount of pension benefits paid out

or the size of the accumulated funds. It is generally agreed that profit-sharing improves morale and provides an incentive to employees. But this government proposes to penalize all the people involved in such plans if they should happen on retirement to take their money out in a lump sum. Experience has shown that lump sum payments are used wisely. They provide the retiring employee with the flexibility to reorganize his affairs on retirement. He may pay off a mortgage or other debt or even start a small business.

• (9:10 p.m.)

In these and other ways the employee may use his lump sum to help him become self-sufficient in retirement. Many have found that through careful investment or the retention of common stock acquired through a plan they have been able to offset the inflationary pressures that beset those with fixed incomes of whom we are speaking tonight. The advantages of lump sum settlements are recognized in several countries where they are permitted on a very favourable tax basis.

Three changes are proposed in the government white paper that will affect these people: first, repeal of the present section 36, which is a three-year average provision; second, adoption of an unfair general averaging formula to cover all cases, instead of the present variety of different formulae for different situations; and third, higher rate schedules.

I should like to give hon. members some examples. Let us take a look at a married employee earning $8,000 in each of the last four years and with deductions of about $3,000. If he retired now and took a lump sum payment from the profit-sharing plan of about $30,000, here is what would happen. Under the present system and rates, his tax on the $30,000 is $5,202. I submit that that is quite serious enough. But the system which the present government is proposing in the white paper would more than double the tax to $10,688 if the payment were treated as ordinary income, which it would be if taken in a lump sum. If he is allowed to use the very poor averaging formula referred to in the white paper, his tax on this amount would still go up by over $4,000, to $9,333 on the $30,000.

One should not have to justify employee profit-sharing as a contribution to the common good. Surely our governments should be encouraging, not discouraging, profit-sharing plans. It is one of the best possible ways

[Mr. McKinley.]

of allowing employees to participate in their companies. It makes clear to them their stake in the economy and it encourages savings and capital formation, something this government is trying to destroy. I maintain that this is a good example of the government's callous and hard-hearted attitude toward the problems of those people who are retired and on fixed incomes. I plead with the government to do something about this problem quickly, earnestly and with sincerity. These people have waited long enough.

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I have had the opportunity of listening to many of the official opposition spokesmen speak today about the plight of the old age pensioners and the veterans. Of course, the old age pensioners are my primary concern tonight in terms of my immediate responsibility as Minister of National Health and Welfare.

I am not going to contest the fact that we must pay constant attention to the needs of our senior citizens to ensure that age does not become a financial penalty for them. Nor will I contest the fact that our older people deserve a decent standard of living and that for some, especially for those in the larger urban centres, the present pension level does not always guarantee in complete terms this type of standard of living. However, I wish to remind members of the opposition and the general public that the government is fully conscious of these facts and that over the past six years it has taken a number of important steps toward making old age pensions more adequately conform to basic security needs.

Mr. Woolliams: Don't be ridiculous.

Mr. Munro: Many of these steps have implications that go on into the future and form real considerations when we give thought to any new, comprehensive, over-all plan to deal with this poverty area.

The most important step, of course, was the passing of the Canada Pension Plan. When fully operative, this plan will provide a national portable contributory pension which will finally provide an adequate income floor during the retirement years, completely adjusted to cost of living, using the wage index. This legislation, put through by the Liberal government in the last few years, exemplifies this type of approach which should be preferred in dealing with matters of basic social justice, for it does make a comprehensive and continuing attack on the

root-problem rather than a long series of stop-gap or band-aid temporary improvements. It is this comprehensive approach to income security that I personally prefer and about which I will speak more fully later on.

In any event, the coming into force of the Canada Pension Plan should largely remove the use of pensions as a political football in the years ahead and I remind the opposition that the plan is being phased-in over a ten-year period, a far shorter time than is normal in other countries with a social insurance scheme of such magnitude. It is being phased-in over the shorter period because we realize we cannot waste time when the well-being of such a large portion of the population, both now and throughout the years to come, is at stake.

An hon. Member: What about today?

Mr. Munro: Even the ten-year period is not being allowed to languish in some sort of vacuum, as a means of making time. Already the fund has began to pay out to people—and as it grows, so do the benefit levels. Roughly speaking, for each year of contribution a person is entitled to 10 per cent of his eventual pension. For example, after four years of contribution—roughly the current input of most people contributing—the entitlement is about 40 per cent. Thus, in ten years it will be at 100 per cent. Just to give an illustration of the changing and growing benefit levels, let me point out that the figure for February of this year was $44.24 a month.

Mr. MacInnis: Mr. Speaker, would the minister permit a question?

Mr. Munro: I should like to finish the point I am making. The figure I mentioned is over and above the old age security pension and still entitles the recipient to draw guaranteed income supplement benefits. I believe the hon. member wishes to ask me a question.

Mr. MacInnis: I wish to ask the minister what he would do about the pension of a widow whose husband paid his contribution for six months over and above the required amount laid down in the legislation. He is fully aware of the situation and offered to meet with the officials, but nothing further was done about it.

Mr. Munro: Many of the provisions of the Canada Assistance Plan did provide for survivors' benefits, but periods of contribution were set down to which a person was qualified before these payments could take place. In many cases this turned out to be very arbitrary indeed and caused much hardship in many cases to surviving widows who did not qualify. This is just one of the many anomalies that have been revealed in the Canada Pension Plan, and it is our hope that they will be taken care of in our over-all review. In the meantime, the present legislation does not permit a payment to the particular widow referred to by the hon. member.

• (9:20 p.m.)

Talking about the Canada Pension Plan again for just a moment, Mr. Speaker, it will be a number of years before the full impact of the plan is felt, as I have already indicated.

Mr. Woolliams: In the meantime, people die.

Mr. Munro: So the question can legitimately be put, as many hon. members have asked: What about now? What have you done for us lately? What about those who are unable to reap the full advantage of the Canada Pension Plan?

Mr. Woolliams: What about those who could not afford to pay the contribution at all?

Mr. Munro: We know that those who could not afford to make a contribution will not be many, because one only has to earn in excess of $600 a year to qualify for the benefit structure. We have brought in other schemes such as the guaranteed income supplement to help those near retirement or already retired who could not afford to be covered. This was one feature of the plan in terms of extended coverage and, as I recall, the official opposition fully supported the $600 earnings at the time the plan went through this House.

Mr. Speaker, we know that the alternative measures must provide for more than token raises and we feel that the whole review must be dealt with in a comprehensive fashion. In doing this we have to take into consideration, not only the raise in benefit structures over the years to assist people in the retirement class through the Canadian Pension Plan but also a number of other plans which we have brought in during the last six years, the full impact of which is now being felt. In some measure this is a reply to those who argue how callous we are in not providing adequate pensions for the elderly.

Mrs. MacInnis: Mr. Speaker, would the minister permit a question?

Mr. Munro: Certainly.

Mrs. MacInnis: Before you leave the Canada Pension Plan, is there any provision in view to enable housewives to qualify under the Canada Pension Plan so that they will have some opportunity to participate?

Mr. Munro: As the hon. member knows, if the housewife is working—

Mr. Woolliams: But not on a salary.

Mr. Munro: —and earning in excess of $600 a year—

Mr. Stanfield: Husbands don't pay them.

Mr. Munro: —which is not a great deal in terms of our modern society, and if the housewife earns more to supplement the husband's income, she can now qualify under the Canada Pension Plan. If the hon. member is suggesting she be covered under a contributory plan and not make any contribution at all on any earnings, the whole structure of the plan would have to be altered.

I was going to comment on many of the other questions. Very widespread changes have been made over the last four or five years and are now having their impact, Mr. Speaker. The first, of course, on these three broad fronts where we have brought in changes is the matter of coverage. We were faced with the situation where people were retired at 65 but not receiving the old age security pension until 70. To cope with this situation we had only the traditional old age assistance plan that paid out money on a means test basis which, I think all hon. members would agree, was a very demeaning process.

We brought in amendments to the old age security provision. We lowered the age to the point where it is now, where this year it was being paid at age 65. As a consequence, many more people are covered than ever before. In the fiscal year ending March 31, 1965, more than 1½ million people in Canada were over 65 years of age but less than one million of those were in receipt of federal pension, a figure amounting to only 66 per cent of the total. In 1969, however, there were slightly more than 1,600,000 people of 65 years of age and over. Of these 1½ million, or almost 92 per cent, were receiving federal assistance through these schemes. Because of these vast increases in percentages it is anticipated that in the next year or two we will almost surely reach 100 per cent. That is another area in which we are moving, that is, in lowering the age to 65.

The second front in which we have moved within this relatively short period of time is that of adequacy of benefits. When the party which I represent took office in 1963, individual payments were $65 a month. We raised that to $75 a month soon after taking office. At that time we realized it was still insufficient, so we brought in the guaranteed income supplement of $30 a month on an income test basis. I think our experience with this program has been very successful. It has allowed us to get around the necessity of resorting to the old needs and means testing which involved all sorts of investigators invading one's privacy and had little rehabilitative value for people in need.

This is fairly routine. Most people, whether in need or not, fill out forms each year for income tax purposes. In our scheme they fill out forms showing income, and if it falls short of a set level the federal government makes up the deficiency within the limits of the scheme. This has worked well and has allowed us to gain administrative experience on how income tested programs of this nature can work. It falls in very well with expertise in this area that is required in terms of any approach to a guaranteed income program on a wider scale.

When I speak of this particular area I am faced with the difficulty of trying to reconcile the various points of view expressed by the hon. member for Winnipeg North Centre (Mr. Knowles). In his speech today he indicated that he thought the guaranteed annual income approach was a good one, yet in his motion he talks about the traditional approach that has been used over the years of raising the basic rates of pension. I do not think the two can be reconciled. I think the total concept of the guaranteed annual wage means that the person who wishes to qualify for it must submit to some type of income test.

In terms of the forms to be filled out it is very similar to the procedure when paying income tax. When you fill out any type of form indicating your level of income as a means of determining whether you should pay something or receive something, I think that is a selective process. That is implementing the principle of selectivity and it is what we mean when we speak of selectivity. How the hon. member can say that he is for a guaranteed annual income approach, and yet find any type of implementation of selectivity repugnant, is beyond me.

Mr. Knowles (Winnipeg North Centre): Would the minister permit a question? Does the minister not realize that there are different definitions of a guaranteed annual income? Calling the one that he defines as guaranteed annual income the only one, does not make it so. I suggest there are different definitions and he and I happen to differ.

Mr. Munro: When I looked at the references to guaranteed annual income in the hon. member's speeches, I thought he was taking income levels into account in determining benefit structure. If he has other concepts than that approach in mind, I would be glad to hear them, but I did not hear them today. I do not imagine the hon. member is talking about any type of annual income payable on a universal approach to all Canadians irrespective of their earnings. I am sure some measure of selectivity would have to be introduced in any such scheme.

Mr. Knowles (Winnipeg North Centre): Did the minister not hear me say this afternoon that that is precisely what I favour, namely, the universal approach, but that because of the emergency situation now facing our older people I would accept an adjustment in the program we now have?

Mr. Munro: If by that the hon. member means that he would favour an increase in the guaranteed annual income supplement as divorced from any increase in the universal old age—

Mr. Knowles (Winnipeg North Centre): Read the motion.

Mr. Munro: You are talking about basic pension rights in your motion. If the hon. member is talking about immediacy, action can be taken in the guaranteed income supplement area exclusively, rather than the basic OAS, just as quickly.

• (9:30 p.m.)

Mr. Knowles (Winnipeg North Centre): I have just one more question; then I will sit down and shut up.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I knew that remark would bring applause. Does the minister not realize that the guaranteed income supplement under the Old Age Security Act is defined as 40 per cent of the basic rate? When I ask for an increase in the basic rate, I mean two things: I mean the basic rate has to go up, and it follows that the supplement must go up accordingly.

Mr. Munro: I fully realize that, Mr. Speaker. I suppose what I am saying is that no one has to be wedded to the 40 per cent formula when dealing with the principle of the guaranteed income supplement in isolation from the OAS.

I have now dealt in a very summary fashion with the areas in which we have moved and which will have implication in the future for our senior citizens, namely, the Canada Pension Plan, the increase in benefits under the OAS, the GIS and the lowering of the age to 65. I should like to talk about another area in which we have moved. In this restricted period of time I wish to talk about the fact that we have tied an escalation feature into our old age security and guaranteed income supplement pensions. There will be a maximum in escalation of 2 per cent, in line with the cost of living. So I do not believe it can be said that when we considered all these measures we were totally ignorant of the need that is being experienced by many of our older citizens today.

What have been the results of this over-all approach? Let us look at the figures with regard to individual payments. As I mentioned, when my party came to power in 1963, the maximum federal pension was $65 a month for those over 70. The maximum this year is over $110 a month and available to people five years earlier at age 65. This represents an improvement of better than 70 per cent over a seven-year period, or approximately 10 per cent a year. It also represents a 70 per cent improvement over the rate of increase in the previous seven-year period from 1956 to 1963.

I believe this is an improvement that one need not be ashamed of. And these improvements do not include an individual's potential for receiving Canada Pension Plan benefits right now. If eligible, an individual can receive roughly $60 a month in Canada Pension Plan payment while retaining a certain amount of his guaranteed income benefit and receiving, of course, the basic OAS. For example, at the February Canada Pension Plan level a person eligible for the full guaranteed income supplement could receive a basic pension of $79.50, plus $34.20 Canada Pension Plan, plus approximately $10 in the form of guaranteed income supplement, for a total of $123.40.

Moreover, owing to the improvement in over-all health standards we have found through our research that both the absolute number and the percentage of the population represented by recipients of old age assistance has increased. Thus, the increase in the federal government's financial commitment toward improving the economic conditions of our senior citizens has grown even more than the rate of increase in individual benefit. Starting figures, the federal financial expenditures in the fiscal year 1962-63 were approximately $770 million a year. In 1964-65 these had grown to $930 million a year. That increase will be demonstrated even more when one sees that the estimated expenditure for 1970-71 will be over $1,950 million. This means that in less than ten years federal expenditures have increased by 2½ times since this party first took office in 1963.

I should like, if I may, to say a few words about veterans and the adjustments made under that policy. Since other spokesmen have dealt with this, I will not go into the matter today. I must, however, express to hon. members the regrets of my colleague, the Minister of Veterans Affairs (Mr. Dubé). As many may be aware, he is in Holland joining with our Dutch friends in the twenty-fifth anniversary celebrations commemorating that country's liberation from Nazi rule. This is a long-standing engagement which he felt it would be unjustifiable to break.

Having spoken about some of these areas that contain implications for the future, may I mention the Canada Assistance Plan and what it can do in this area. There is a section in the Canada Assistance Plan under which the federal government will reimburse 50 per cent of the cost incurred by any province which wishes to supplement the old age security and guaranteed income supplement payments. There is no ceiling on the amount of supplementation than can be allotted, nor are there any complicated forms, terms or conditions that must be complied with. Payments are made merely on the basis of need, and this is in line with all the other programs similar to the Canada Assistance Plan.

Only one province, to my knowledge, has gone into this matter at all seriously, and that is British Columbia which I understand is now providing supplementation under the Canada Assistance Plan to senior citizens receiving benefits both under the Old Age Security Act and the GIS. Most provinces could benefit more from this particular scheme if they wished to, and that remark applies to the province which the Leader of the Opposition (Mr. Stanfield) led when he was its Premier.

Mr. Stanfield: Mr. Speaker, would the minister permit a question? Is he suggesting that the less wealthy provinces are in a position to supplement the old age security payments and the GIS? Is he putting this forward as a realistic national program at this time?

Mr. Munro: Well, Mr. Speaker, the Canada Assistance Plan in all its provisions was discussed in great detail when the hon. gentleman was Premier of his province. It was worked out in combination with the provinces and endorsed by them. The welfare administrators of the provinces concerned were fully cognizant of all the potentialities of this program. I think they must have realized that they could assist the older people in their areas who were in need, by taking advantage of the federal payments referred to. Some provinces are prepared to do it.

Mr. Stanfield: Mr. Speaker, has not the minister just received a delegation consisting of the welfare ministers of the four Atlantic provinces, and have they not indicated the grave difficulties of the four Atlantic provinces in the area of welfare and sought a different formula?

Mr. Munro: Yes, Mr. Speaker, I have. But inasmuch as we all appreciate the needs of the less fortunate provinces, I think all provinces are complaining very seriously about their inadequacies in responding to federal initiatives in those areas we have already entered extensively. Need I remind the hon. member about medicare and the complaints the provinces have made with respect to it? It is really a question of what the provinces want to do in terms of their own priorities, which needs they are prepared to recognize most and in which order.

An hon. Member: What about Saskatchewan?

Mr. Stanfield: I want the minister to be realistic, Mr. Speaker.

Mr. Woolliams: That's impossible.

Mr. Munro: The Leader of the Opposition has said that the Atlantic provinces rank other priorities more highly—

An hon. Member: What about Saskatchewan?

Mr. Stanfield: Let us be realistic.

Mr. Munro: Mr. Speaker, I listened to the Leader of the Opposition going through a litany of excessive statements today. He said we had a computer for a conscience, wondered if members on the government had any sliver of conscience, said they were completely lacking in a sense of justice and that they were callous, said they showed monumental ingratitude, were inconsistent, against the weak and the poor, and so on.

An hon. Member: All true.

Mr. Munro: Mr. Speaker, that may have been great stuff 10, 15 or 20 years ago, but I cannot believe the Leader of the Opposition really believes this now. Surely he could have suggested what he would have done, in his statement. The Leader of the Opposition could have suggested what he would have done. He could have suggested how much he would have increased the pension and how the federal government should be prepared to absorb this particular cost, what programs must be cut in relation to payments in this area or what other programs he feels should be ranked lower in terms of priority than this particular one. He could have suggested that we should have gone into guaranteed income supplement and not used the basic rate.

• (9:40 p.m.)

Mr. Stanfield: That is what I did.

Mr. Munro: He could give us some guidance about priorities. The Leader of the Opposition really did nothing other than make a blatant political appeal to the old age pensioners of this country. The blatant political appeal, with no substance, that the Leader of the Opposition had to revert to today is one of the reasons why many of our senior citizens are very cynical about politicians.

Mr. Stanfield: Mr. Speaker, the minister must have been engaged in conversation when I spoke, because I suggested that he could not do anything beyond the resources of the government regarding the general old age security. I suggested that he concentrate on increasing the guaranteed income supplement.

Mr. Munro: As the leader of the official opposition knows, in the programs in my department alone we are spending approximately one-third of the total federal budget. Counting the health and welfare sides, we are spending in the vicinity of approximately $4 billion a year or more. We must now look at the situation in terms of priorities, recognizing the needs of the old age citizens and veterans of this country as a very high priority indeed. But what about the working poor, the deserted wives and children, the crippled and disabled who are not in this category? What about some of these people whose financial structure is not as rich as those with whom we have been preoccupied today? Where do they rank in terms of priority?

Mr. MacInnis: Mr. Speaker—

Mr. Deputy Speaker: Order. The only way a question can be permitted is by unanimous consent. Is there unanimous consent?

Some hon. Members: No.

Mr. MacInnis: I wish to remind the minister, on a point of order—

Mr. Deputy Speaker: Order, please. The hon. member is rising on a point of order.

An hon. Member: The point of order will be phony.

Mr. MacInnis: It may be phony, but you will have to listen to it just the same. The time allowed members in this debate was certainly violated by the minister, who spoke longer just to cut off questions that he cannot answer.

Mr. Deputy Speaker: Order, please.

Mr. Munro: I spent half my time answering questions.

Mr. Deputy Speaker: Order, please. I remind the hon. member that Standing Order 61 provides—

Mr. MacInnis: You should have reminded the minister.

Mr. Deputy Speaker: The Standing Order allows 30 minutes for the minister's reply. We have taken that position in the past whether it is during the debate or at its conclusion. That practice has been followed today.

It being 9.45 o'clock p.m. it is my duty, pursuant to section 8 of Standing Order 60, to interrupt these proceedings and forthwith put every question necessary to dispose of the motion now before the House. All those in favour of the motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Division

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. Knowles, Winnipeg North Centre) which was negatived on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Barnett
Beaudoin
Bell
Benjamin
Bigg
Brewin
Broadbent
Burton
Caouette
Coates
Comeau
Crouse
Dinsdale
Dionne
Fairweather
Forrestall
Fortin
Gleave
Godin
Grills
Hales
Harding
Harkness
Hees
Howe
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
La Salle
Latulippe
Lewis
Lundrigan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McIntosh
McKinley
Mather
Matte
Moore
Noble
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rondeau
Rowland
Saltsman
Scott
Skoberg
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Winch
Woolliams
Yewchuk—66.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Béchard
Beer
Benson
Blair
Blouin
Breau
Brown
Caccia
Cadieux (Labelle)
Cafik
Chappell
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Crossman
Cyr
Danson
Davis
Deachman
Deakon
Douglas (Assiniboia)
Drury
Duquet
Éthier
Forest
Foster
Gendron
Gervais
Gibson
Gillespie
Goyer
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Kaplan
Kierans
Lachance
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
McBride
Mahoney
Major
Marceau
Marchand (Langelier)
Mongrain
Morison
Munro
Murphy
Noël
O'Connell
Orange
Osler
Penner
Pilon
Portelance
Prud'homme
Reid
Richard
Richardson
Roberts
Rochon
Roy (Laval)
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Watson
Weatherhead
Whelan
Whiting—105.

Mr. Speaker: I declare the motion lost.

At 10.10 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, May 5, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

URANIUM

POLICY ON FOREIGN OWNERSHIP IN INDUSTRY —ELABORATION RESPECTING EXPLORATION ACTIVITY

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, in my statement of March 19 to the House of Commons on the subject of foreign ownership in the Canadian uranium industry, reference was made to the fact that foreign enterprises then engaged in uranium exploration would be given a certain period of time to establish the commercial viability of their properties and thereby qualify for the same ownership controls which will be applicable for present producers.

The detailed regulations required to implement the policy statement are now being drafted and will be promulgated at the earliest possible date following consultation with interested parties. However, in view of the scheduling of exploration programs during 1970 and the not unnatural concern expressed by exploration companies over the uncertainties raised by the policy statement, I wish to take this opportunity to give further elaboration on the policy as it will apply to exploration activity.

First of all, a company shall be deemed to have been actively engaged in uranium exploration on March 2, 1970 if it held, prior to that date, valid provincial or territorial authority to mineral rights or an undivided interest therein and, in addition, can demonstrate to the satisfaction of the Atomic Energy Control Board that it was engaged in a uranium exploration program on the property to which the mineral rights apply.

Having established this fact, the companies involved will then have six years—until March 2, 1976—to submit documentation to the Control Board which will prove to the satisfaction of the board that they have a commercially viable deposit or deposits of uranium ore on the mineral rights under exploration on March 2, 1970. In recognition of the presently depressed uranium market and the four to five years needed to place a mine in operation, the government will not require actual production or the existence of a sales contract within the six-year period.

• (2:10 p.m.)

Companies which can meet these two criteria will, for the purposes of foreign ownership regulations, be treated in the same manner as that applicable to present producers. Present foreign owners of such companies will be permitted to retain holdings existing on March 2, 1970 but any sales of such holdings must be to Canadian residents until the total foreign ownership is reduced to 33 per cent. At that point sales between non-residents will be permitted but in such a way that the 33 per cent aggregate foreign ownership level is not exceeded and that no greater than 10 per cent of the ownership of the property is held by one foreign investor or group of associated foreign investors. It will be noted that inherent in this statement is the fact that the government has decided not to differentiate between companies with less or greater than 50 per cent non-resident holdings on March 2, 1970. This would apply, of course, to present producers and the exploration companies qualifying as a result of this statement.

Finally, I would like to note that the regulations we are now preparing will stipulate that persons carrying on exploration programs by way of joint venture agreements and holding thereunder undivided interests will be allowed to proceed subject to the same criteria on ownership of such interests as are applicable to share ownership.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, the statement we have heard today is another example of the government jumping in, making hasty public statements as to its intentions, and then leaving the industry and mining groups in a state of confusion.

Some hon. Members: Hear, hear!

Mr. Aiken: This is the second pre-regulation statement we have been given on the subject of the ownership of the uranium

industry. The first was made in a hasty manner as was perhaps necessary at the time—surrounding circumstances were such as to encourage it. But development and exploration in Canada were likely to be depressed. Today the minister is saying: we intend to make regulations very soon but we are still trying to figure them out; we are going to make another statement to try to clear up some of the things that are in doubt.

I welcome the fact that there is some assurance in the statement on the question of ownership so that exploration and development may continue. Nevertheless, I say this is an unnecessary and careless way of dealing with legislation and regulations which affect major industries. When the regulations are made, then the people concerned will know exactly what is required—and when they are written out in detail their effect may be totally different than now appears. In any case, while being extremely critical about the procedure the government has used in jumping from one situation to another, trying to clear up one mistake and perhaps making another, I welcome the fact that some vague light has been cast on what the government intends to do.

Mr. David Lewis (York South): Mr. Speaker, no one who is concerned about the question of foreign ownership in Canada and, particularly, foreign ownership of an industry like uranium will get any consolation from the statement just made by the minister.

My party, which is particularly concerned about foreign ownership of Canada's economy, says to the minister that his statement contains nothing which guarrantees that the situation in the uranium industry will be changed. The statement makes clear that foreign-owned companies will continue to own the companies they presently own; there is to be no attempt to change this situation until and unless they seek to sell their interests or any part thereof. So a foreign-owned company which is now engaged in exploration for uranium can continue to own its property forever as far as these regulations are concerned without any change at all. This means there is no guarantee with respect to Canadian ownership of the uranium industry. As a matter of fact, recent reports have indicated that Gulf Oil is sitting on a very large uranimum deposit, and that other foreign-owned companies are carrying on exploration.

When the Denison matter first blew up, the Prime Minister made the statement outside the House that the reason the sale of Denison to Hudson Bay had to be stopped was that Canadian ownership in the uranium industry would otherwise be reduced to about 10 per cent. I venture to suggest that this will happen anyway under the policy the government is pursuing, and that as Gulf Oil, Rio Algom and some Japanese interests continue their uranium exploration and exploitation, the proportion of the industry in Canada owned by Canadians will continually decrease and eventually almost disappear.

I emphasize that there is absolutely nothing in the statement to guarantee any extension of Canadian ownership and control of the uranium industry. All the statement guarantees is that if foreign-owned companies in six years from now attempt to sell any part of their interests, they must sell it to Canadians and cannot sell it to another foreign interest. I submit that that is no guarantee at all, that it merely emphasizes the fact that this government is wedded to a continentalist policy and is essentially unconcerned about foreign control of our economy, even in such an industry as the uranium industry.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, we Créditistes deplore the fact that the minister who has spoken today as well as his colleagues have for a while omitted to send us ahead of time French copies of the statements made in the House. And moreover today we have received nothing whatever from the minister.

We well understand from his statement and from the comments by other members of the opposition that he had nothing to announce. This is so true that he has submitted no document whatever in this case.

Mr. Speaker, we would ask you in future to see that the ministers pay attention to us as they used to and that they submit their statements in French some time ahead so that we may review them.

[*English*]

GRAIN

WHEAT—COMMUNIQUÉ FOLLOWING MEETING OF EXPORTING COUNTRIES

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, may I ask the House to return to motions?

Mr. Speaker: Is it agreed that the House revert to motions?

Some hon. Members: Agreed.

• (2:20 p.m.)

Mr. Lang: Mr. Speaker, the ministerial meeting concerning wheat has concluded and I should like to bring to the attention of the House the communiqué which was issued:

1. Ministers and senior officials representing the five major wheat exporters, Argentina, Australia, Canada, the EEC and the United States, met in Ottawa on May 4 and 5 to discuss problems in the international wheat market, particularly those brought about by surplus production. The meeting reviewed the current market situation and noted that supplies available in the major exporting countries will be surplus to the anticipated requirements for the 1970-71 crop year, and that a solution to the problem of over-production was necessary if a healthy and stable international wheat market were to be achieved in the interest of both consumers and producers. Ministers noted that in some countries it is difficult to consider the wheat situation in isolation from the livestock feed market.

2. Ministers recognized that the major exporters had a common responsibility to regulate their production in a manner which will bring supplies into balance with opportunities in the international wheat market. Ministers considered that importing countries, particularly developed countries, also had responsibilities in this regard and they agreed to use every opportunity to encourage these countries to accept disciplines in their own production policies in the interest of expanding the international wheat market.

3. Ministers took note of the major contributions made by Canada to resolving the oversupply problem by the withdrawal of very substantial acreage from production in 1970. It was also noted that the United States had, for a number of years, operated a program of wheat acreage reduction, that Australia had recently established quotas substantially reducing wheat deliveries and that in Argentina production had declined in recent years due to climatic factors. The ministers further noted that the EEC had under consideration proposals aimed at a different price relationship between wheat and coarse grains and also at a substantial reduction of land and manpower in agriculture over the next few years.

4. Ministers noted that the urgent need to bring production into a better relationship with demand. They agreed that governments would have to keep production policies under continuing review so that timely and appropriate measures could be taken in the interest of achieving a healthy international market for wheat.

5. Ministers noted that different techniques were used by different wheat producing countries to maintain producer incomes. Ministers agreed that governments should exercise care in implementing new or existing programs of income support to avoid measures which could have the effect of stimulating uneconomic production.

6. Finally, ministers agreed that their governments would keep under continuing review the production policies of both exporters and importers and to this end they agreed to consult closely and anticipated meeting again in about six months.

Mr. George Muir (Lisgar): Mr. Speaker, although we are pleased that the wheat exporting countries have finally been able to get together to discuss the problem of surplus production we note from the communiqué that no firm commitments have been made by other countries to follow the same course upon which Canada has embarked in drastically reducing wheat acreage. We would have hoped that the Canadian ministers and their officials would press upon the other nations the necessity of a multilateral agreement so that no one country would have to carry the load itself. We are sorry the minister did not take this occasion to assure the House and the country that these things will be done and that Canada can hope to resume the production necessary to maintain a viable farm economy.

While at the meeting the exporters agreed there should be no uneconomic production, the fact is that we see this happening every day of the week in other countries. I need only point out to the minister the arrangements under which the European Economic Community subsidizes the export of grain from France and other countries within the community to the detriment of countries like Canada where there is no such assistance. I believe this is the only country on the face of the earth where the farmers are expected to meet competition without any assistance from the government. It seems to me we are placing our farmers in an untenable position by agreeing that there be some sort of supply-management system that will only apply to ourselves and will leave the exporting countries of Europe and other areas pretty well on their own to make whatever arrangements they like.

I am disappointed that the communiqué could not have been such as to give some hope to our farmers that in the future Canada will be able to export in a market that is not heavily subsidized by the governments of other exporting countries.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, it would have been a better day if there had been better news. The communiqué simply says that the result of the discussions is that the other exporting nations have not agreed to go along with substantial acreage reductions. Of course this was probably not a great surprise to the minister since he has available to him the advice and knowledge of

people in his department who can tell him what the attitude of the other producing nations is.

With the European Economic Community doing as it did last year, when it spent $600 million to support its wheat farmers and dispose of the 770 million bushels they produced, it is scarcely likely that it would change its mind at a nod from Canada. If the Economic Community was ready to spend that kind of money last year then certainly it is prepared to stay in the wheat market. The other exporters have stated their position, as mentioned by the minister in his statement, and we in Canada will bear the brunt of the major reduction which is being undertaken in this country. The minister knows very well that if he were to go to Saskatchewan at present he would find that province in a state of economic shock resulting from the slowdown in earnings and income.

No invitation was issued to the U.S.S.R. which, next to China, is certainly the major wheat producing nation in the world. The importers were not present, and it would scarcely be likely that the small group that was called together could agree on a policy which would direct the wheat production of the world. What we are really talking about here is the total production in the world. It is indeed too optimistic to expect that Canada as one nation can affect the total wheat production for the benefit of the farmers on the prairies, and will prove to be a risky venture for Canada.

By way of offering some advice to the minister, I point out that what we should strive to do is to reconvene a meeting of those countries responsible for the International Grains Arrangement and get back to a real international wheat agreement in which all countries participate and which will bring some order into the market. Partial approaches such as are being taken within Canada and by calling together a very few of the nations involved to seek agreement to a major reduction are doomed to failure from the start.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I do not like to be unkind. I must say, however, that I was not at all pleased a moment ago to think that I had to comment on the minister's statement when I had received the English version only upon entering the House and when the French version has just now been given to me. I understand that, on occasion, an oversight may occur, and that is excusable. But when a party spokesman must comment on a minister's statement, I believe he should be given a copy of the settlement at least a few minutes before he rises to speak.

Anyway, Mr. Speaker, it would appear that the same question keeps cropping up on the agenda and that the problems of the farmers have become the nightmares of governments. It is a fact that the dairy industry is a nightmare for the government. Governments are also faced with a nightmare when it comes to wheat production. If such nightmares resulted from inefficiency, unemployment or the laziness of the farmers, it could be said that there is a very serious problem created by their apathy. However, since it is a problem of distributing the fruit of the labour of farmers of eastern or western Canada, it must be recognized that there is a surplus of production over consumption. Efforts are made to try to find some way to balance production and demand so as to achieve the proper ratio between exports and imports.

It has been often reported in newspapers that in several countries in the world, many people are hungry and subject to nightmares precisely because they are unable to till the land to make it produce the food they need.

We should therefore endeavor to diversify our production so as not to be stuck with too great a surplus. However, as we all live on the same planet, we should try to produce according to the needs of human beings. Indeed, we must always tend to produce to meet the needs, and not to help dealers make more and more money.

It is only fair to make a profit when reselling any merchandise, but the main objective of trade within a well organized community which is concerned about establishing a just society is to ensure that each and everyone has enough to meet his essential needs. It matters little whether others have more, but it is imperative that all be guaranteed the basic necessities.

Mr. Speaker, such are the observations I wanted to make at this stage. Since the Standing Committee on Agriculture happens to be studying a problem related to grains, I hope that as their work progresses they will realize that, even in Canada, it would be possible in a good many regions to use more products from eastern Canada, which would enable us to absorb part of the wheat production through trade.

[*English*]

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

SOUTH VIET NAM AND CAMBODIA—INTERNATIONAL CONFERENCE SUGGESTED BY U THANT—GOVERNMENT POLICY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister arising from the reported statement of the Secretary General of the United Nations today that an international conference to cope with the old war in South Viet Nam and the new war in Cambodia is an indispensable step of the utmost urgency. Is it the policy of the government to support this initiative of the Secretary General of the United Nations, or does the policy of the government of Canada remain the statement that the Secretary of State for External Affairs made on Friday last expressing a very considerable degree of scepticism about the utility of an international conference on this subject?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Canadian ambassador in New York has seen the Secretary General of the United Nations on the minister's instructions, as reported by the minister. They did discuss the general question of Viet Nam and of Cambodia in particular.

I am not aware of the substance of the decisions taken by the Secretary General. I do not know if the quotation by the Leader of the Opposition is a complete summary of his proposals. I, of course, would have to study them to see whether they are the kind of initiatives that we will go along with completely or in part.

Mr. Stanfield: Mr. Speaker, I do not know whether this is a complete summary. I assumed that since the government has an ambassador at the United Nations it would be fully informed even if I were not, but since the Prime Minister has not been informed by the ambassador as to details with regard to this proposal there is obviously no point in pursuing the inquiry at this moment.

INDIAN AFFAIRS

PURPOSE OF EMPLOYMENT OF W.I.C. WUTTUNEE

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. Is it his intention to continue to employ Mr. Wuttunee of Saskatchewan as an Indian to try to sell the federal Indian policy to the native people despite the fact that Mr. Wuttunee has been disowned by the band chiefs and Councillors of ten reserves in the Battleford area?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, in reply, I should like to say to the hon. member that Mr. Wuttunee has been hired for a period of three days, because he is a lawyer and we intended to ask him his opinion on some particular points connected with the review of the Indian Act. Perhaps Mr. Wuttunee is one of the very many Indians who support the government policy and, if his services are required in the future, we will hire him again. Anyway, we hired him only for three days, in the past, and it is not true to say that his name is on the public service payroll. In any event, for the time being, we do not foresee when we will hire him again.

[*English*]

Mr. Lewis: A supplementary question, Mr. Speaker. Is the minister aware that Mr. Wuttunee is seeking to set up another Indian organization and, if so, is his department giving Mr. Wuttunee any support in that undertaking?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I know that Mr. Wuttunee, like Mr. Frank Calder, the Indian NDP member in the British Columbia Parliament, supports the policy of the government in this regard. I cannot prevent him from informing the Indians about that in order to convince them that we are choosing the right way.

Mr. Lewis: Mr. Speaker, I want to ask a supplementary question because the minister did not answer the one I put to him.

An hon. Member: This is the answer.

Mr. Lewis: Mr. Speaker, indeed, it is an answer but not to my question.

I asked the minister whether his department supported, financially or otherwise, Mr. Wuttunee's efforts with a view to developing a new organization.

Mr. Chrétien: Mr. Speaker, Indian associations are formed by the Indians themselves. We recognize those based on the resolutions

of their bands. The same policy applies to any Indian association which exists or which might be created in Canada.

[*English*]

Mr. Robert Simpson (Churchill): Mr. Speaker, I wish to direct a supplementary question to the minister. Can he say whether it is correct that M. Wuttunee was hired to advise the government on means of having the Indian people accept the government's policy?

[*Translation*]

Mr. Chrétien: Mr. Speaker, according to my information, Mr. Wuttunee has been hired by my department in order to give legal advice on the new legislation which we would like to introduce and which will be entitled "Indian Lands Act" since he may be one of the best qualified persons to advise the department, in view of the fact that he is an Indian himself and a very good lawyer.

[*English*]

Mr. Paul Yewchuk (Athabasca): A supplementary question, Mr. Speaker. Would the minister care to report on what sort of legal advice he was seeking from Mr. Wuttunee pertaining to this white paper?

Mr. Speaker: Order, please. The hon. member is asking for rather detailed information. I would not think the question is in order.

LABOUR CONDITIONS

MINIMUM WAGE INCREASE TO MEET HIGHER COST OF LIVING

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Prime Minister. As the Prime Minister stated in an interview on the French network over the weekend—and I quote his words from the transcript: "the government has rejected wage and price controls because such a policy would be unfair to workers who have been waiting five years for a raise" applying that specifically to those who work for minimum wages in industries which come under federal jurisdiction, has the government now decided to raise the wages of these workers in the very near future inasmuch as the cost of living has risen by 20 per cent since the last raise five years ago and they have been living 20 per cent below the poverty level—

[Mr. Chrétien.]

Mr. Speaker: Order. The hon. member is now making a speech. Is he coming to the question?

Mr. Hees: Mr. Speaker, I fooled you that time because I have already asked my question.

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): The hon. member fooled me, too, Mr. Speaker.

Mr. Hees: Mr. Speaker, may I put the question a little more plainly to the Prime Minister. In view of the fact that he said it is unfair to workers who have been waiting five years for a raise, and as those who work for minimum wages in industries that come under federal jurisdiction—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I have not yet recognized the question. Perhaps I am again in error.

Mr. Hees: Mr. Speaker, I will try again. Is the government planning in the immediate future to increase the wages of those who work for minimum wages in industries under federal jurisdiction, as it is five years since they have had a raise and the cost of living has gone up 20 per cent in the meantime?

Mr. Speaker: Order. The hon. member has asked a question now. I did recognize it this time.

Mr. Hees: Mr. Speaker, we want the answer.

Mr. Trudeau: Mr. Speaker, the government's policy in this respect will be announced in due course.

Mr. Hees: A supplementary question, Mr. Speaker. As that is the sort of answer I have been getting every time I have asked this question during the past two years, does the Prime Minister not realize how completely phony his answer makes his so-called just society? When is he going to stop being the joker of the just society and do something honest for the people of this country?

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

AIR CANADA

POSSIBLE PHASE-OUT OF CERTAIN ADMINISTRATIVE EMPLOYEES—CRITERIA TO BE USED IN FILLING VACANCIES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I know I have greater hope of obtaining an answer to a question directed to the Minister of Transport than to one directed to the Prime Minister. Have the administrative employees of Air Canada, which I regard as one of the finest, if not the finest, air service in the world, received any communication to the effect that some 3,000 of them are having their records reviewed, that there will be a phasing out of that number and that in reappointments to fill some of the vacancies youth rather than length of service and experience will be the prime consideration, as recommended by the McKinsey report?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, that is a rather complicated question. I will do my best to answer it and I hope to give some additional information later. There is some reorganization going on within Air Canada. As I have said on earlier occasions, I have not received the details of it because it is a corporate matter, but I will make some inquiries for the right hon. gentleman. I am sure that my views to Air Canada will be that people with long service ought to be given more consideration than in the circumstances referred to by the right hon. member. But I doubt very much if what he has outlined is really the case.

Mr. Diefenbaker: Mr. Speaker, my information comes from the employees, and they are the ones who are particularly affected. Regardless of whether a United States company comes to Canada and tells us how to run Air Canada, do we have the minister's assurance that regardless of what the McKinsey recommendations are those who have served well and honourably will not be discriminated against even if they are over 55 years old?

Mr. Jamieson: Mr. Speaker, I am getting close enough to 55 myself that I have a particular concern for that age group. I will see what I can do.

Mr. Speaker: The hon. member for Vancouver East.

Mr. Hees: A supplementary question, Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I wonder if the hon. member would remove his blinkers and look in the direction of the Chair.

Some hon. Members: Hear, hear!

OIL

AUTHORITY FOR PROHIBITING EXPLORATION IN STRAIT OF GEORGIA

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. In view of the fact that a British Columbia cabinet minister has challenged the authority of the federal Minister of Fisheries to prohibit oil exploration in Georgia Strait in British Columbia and has alleged that there is no statutory authority from the House of Commons, can the minister assure the House that he is determined to continue the closure? Also, will he give information as to what authority he was acting under in issuing the closure order?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, it has always been a requirement under the Fisheries Act that the use of explosives in water requires a prior permit. All outstanding permits have been cancelled and therefore it is not possible to continue seismic work in the Strait of Georgia area. That is the ruling to which the hon. member refers.

REVIEW OF DRILLING PERMITS OFF EAST COAST

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the Minister of Energy, Mines and Resources. Is it the government's intention to review the oil drilling permits that have been issued to companies to drill for oil off the east coast of Canada, especially in light of the amendments to the Fisheries Act now before the House?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the question of permits for seismographic work and for further exploration and drilling comes under the aegis of my department. The officials of the department are highly expert in determining what is safe and ecologically sound, and permits have been issued on that basis and will continue to be issued on that basis subject to the strictest interpretation of the rules and to the work being done being supervised by the officials of my department.

Mr. McGrath: A further supplementary question, Mr. Speaker. Will the permits which have already been issued be reviewed in light of amendments now proposed to the Fisheries Act to prevent pollution, and also the Canada Water Bill now before the House?

Mr. Greene: Mr. Speaker, in so far as the Canada Water Bill goes, there are no clauses or regulations in the bill which affect the question of offshore drilling. That comes under other statutory authority, and so it would have no effect. The new Fisheries Act of course envisages no specific controls over drilling. I do not believe it will do so specifically, but certainly the Minister of Fisheries under the act does have specific authority which from time to time he may see fit to exercise. But that does not involve our department's review of its total policy in respect of the issue of offshore licences.

POLLUTION

HOWE SOUND—RESULTS OF TESTS OF FISH

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Can he inform the House of the results of testing for mercury pollution in Howe Sound? What species have been affected and when does the minister expect the fishery to reopen there?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, the results are mixed. Salmon and herring are all right so far as mercury is concerned, but some of the local stocks of shellfish contain pretty high levels of mercury. Therefore, the upper end of Howe Sound will remain closed for commercial fishing for these species.

LOCATION OF SOURCES OF MERCURY CONTAMINATION

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I ask the Minister of Fisheries and Forestry whether his department or any other department is undertaking a crash program to locate and clean up the mercury pollution sources across the nation?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we have had several meetings with both the pulp and paper industry and with that segment of the chemical industry using mercury in the production of soda ash and chlorine specifically, with that aim in view.

AIR CANADA

POSSIBLE TRANSFER OF EASTERN HEADQUARTERS FROM HALIFAX TO MONTREAL

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Minister of Transport that is related to an earlier question. Do the changes which are going on at present in the reorganization of Air Canada include the removal of the Maritimes regional office of Air Canada from Halifax to Montreal?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have been in conversation by phone with officials of Air Canada. I have asked them to send me a detailed report of the reorganization. I have also talked to my colleague the President of the Privy Council with a view to having the Air Canada report referred to the Standing Committee on Transport and Communications at the earliest possible time. At that stage these questions can all be answered by people more competent to do so than I. This will be done as soon as the report on the reorganization is received from Air Canada.

Mr. Forrestall: Are we going to lose it?

Mr. Jamieson: If hot air were music, Mr. Speaker, my hon. friend would be a brass band. I was about to say that I will be prepared to provide him with a full report on the reorganization as soon as it is received.

Mr. Robert McCleave (Halifax-East Hants): A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Will the hon. member resume his seat? I will recognize the hon. member in a moment. We have to get on to another subject. I notice quite a few members are anxious to ask questions. For the moment I will recognize the hon. member for Halifax-East Hants.

Mr. McCleave: The hon. member for Dartmouth-Halifax East asked the same specific question the other day and received a general answer. The specific question has not been answered. Does the minister mean that the decision of Air Canada, which surely the minister must have discussed when he referred this matter to Air Canada, is to obliterate the eastern regional office in favour of centralization somewhere else?

Mr. Jamieson: Mr. Speaker, that is exactly what I asked Air Canada. They replied that

there is a complex reorganization under way. It is not something that can be answered within the framework of a normal verbal answer in the House. I have said I will make the report available to the House when it is received.

Mr. McCleave: Ten o'clock, Mr. Speaker.

APPOINTMENT OF ADDITIONAL VICE-PRESIDENTS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the biggest trumpeter on that side of the House.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member has the floor.

Mr. MacInnis: I ask the minister if the reorganization within Air Canada makes it necessary for Air Canada to appoint 22 vice-presidents where 6 have heretofore served?

Mr. Jamieson: Mr. Speaker, I cannot answer that. The annual report will be referred and the hon. member will have an opportunity before the committee to ask all the questions he wishes.

Mr. MacInnis: A supplementary—

Mr. Speaker: Order, please. I indicated to hon. members a moment ago that a number of supplementaries have been asked on the subject of Air Canada. Other hon. members should be given a chance to ask questions on other subjects. If we have time I certainly will not fail to return to the hon. member.

Mr. MacInnis: Mr. Speaker, I rise on a question of privilege because of answers provided in this House by the Minister of Transport in respect of Air Canada. A number of questions, including the one regarding the transfer of the regional office, have been asked of this same minister. I have asked questions with respect to an agreement worked out between Eastern Provincial Airways and Air Canada. It is in the written record that the minister informed me he knew nothing of this arrangement; yet the minister and other members of the House were aware that at that time Eastern Provincial Airways was wining and dining Members of Parliament in Ottawa. The minister knew about that and—

Mr. Speaker: Order, please.

Mr. MacInnis: —his answer to me at that time was a downright lie.

Mr. Speaker: Order, please. I am sure the hon. member knows that he cannot accuse another member, whether or not he is a minister, of telling a lie in the House.

Some hon. Members: Shame!

Mr. Speaker: Order, please. I am sure the hon. member used words which went beyond his thoughts and I ask his co-operation in this regard.

Mr. MacInnis: Mr. Speaker, I can turn to precedents which show that a Prime Minister lied in the House. I have no intention of withdrawing something I can prove by the written record.

Some hon. Members: Throw him out!

Mr. Speaker: Order, please. The hon. member has to withdraw. I again ask the co-operation of the hon. member. He cannot accuse another member of lying.

Mr. MacInnis: Mr. Speaker, I may not be able to accuse him so for the moment I will say that I withdraw that particular statement. But I will take the first opportunity to put his contradictions on the record.

Mr. Speaker: Order, please. I thank the hon. member for his co-operation. I say this sincerely.

CANADA SHIPPING ACT

PROPOSED AMENDMENTS—ESTABLISHMENT OF POLLUTION CONTROL AREA ON ATLANTIC AND PACIFIC COASTS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Transport. I assure Your Honour it is on a different topic. With reference to the amendments to the Canada Shipping Act which the minister stated he intends to propose to the House, can he say whether the terms of the bill will parallel the terms of the Arctic Waters Pollution Prevention Bill to the extent of providing a pollution control area extending 100 miles seaward on the Atlantic and Pacific coasts of Canada?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the drafting of this measure is not completed. I think I can assure the hon. member this will not be part of the amendments to the Canada Shipping Act.

Mr. Barnett: A supplementary question. Can the minister tell the House when he expects the drafting of this legislation to be completed and the bill introduced for first reading? Will it be ready in time to look at it while we are still dealing with the Arctic Waters Pollution Prevention Bill?

Mr. Jamieson: That may be impossible, Mr. Speaker, in view of the fact that the outcome of the debate on the Arctic pollution bill may have an effect on the actual drafting of the Canada Shipping Act amendments. However, if there is no likelihood of that happening as that particular debate proceeds, I believe we could have the first reading within two weeks.

FLOODS

MANITOBA—SPECIAL WHEAT QUOTAS FOR FARMERS WITH FLOODED STORAGE FACILITIES

Mr. Gerald Richard Cobbe (Portage): In order to save grain that has not yet been damaged, has the minister's department made a decision to grant special quotas to farmers in Manitoba whose storage bins for grain have been flooded?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I have not received a report from the Canadian Wheat Board on this subject. I thank the hon. member for bringing it to my attention. I will certainly discuss with the Wheat Board the possibility of moving in this direction.

MANITOBA—FINANCIAL ASSISTANCE TO THOSE AFFECTED

Mr. George Muir (Lisgar): I have a supplementary question for the Prime Minister. In view of the very extensive damage to homes, businesses and other property caused by the serious flooding in Carman and other areas of southern Manitoba, is the Prime Minister giving consideration to providing assistance to those affected in order to relieve the heavy financial losses incurred in what has been described as the worst flooding in the history of that area?

Mr. Speaker: It seems to me that the hon. member is reiterating. Possibly I did not understand the question. I have the impression the hon. member's question is the same as the one asked previously. In any event, perhaps the Prime Minister might reply to the question.

[Mr. Jamieson.]

Right Hon. P. E. Trudeau (Prime Minister): I can merely state that we are awaiting an assessment and appraisal of the damages. If the situation is similar to those in the past where we have helped provincial governments meet the cost of these damages, we will of course be prepared to do so at this time. I cannot answer specifically until I know the extent and nature of the damage.

GRAIN

WHEAT—SUPPLY OF REQUIRED GRADES FOR SHIPMENT TO CHINA

Mr. A. P. Gleave (Saskatoon-Biggar): I have a question for the Minister without Portfolio in charge of the Wheat Board. In view of reports that ships have been delayed on the west coast waiting for wheat to be transported under the contract with China because the required grades and kinds of grain are not available, although there was ample room, can the minister tell the House if the situation has been corrected?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the situation arose when a very large ship presented itself for those grades several weeks ahead of schedule. With the block system in effect the situation can and is being rectified very quickly.

[*Translation*]

AGRICULTURE

DAIRYING—POSSIBLE AMENDMENT OF POLICY RESPECTING GRANTS

Mr. Adrien Lambert (Bellechasse): I thank you, Mr. Speaker, for giving me this opportunity to direct a very important question to the Minister of Agriculture before the oral question period expires.

In view of the widespread discontent of industrial milk producers and in view of the present demonstrations in Quebec, mainly in my own constituency, at Sainte-Anne-de-la-Pocatière, in protest against the government dairy policy, would the minister consider amending or recommending that amendments be made to the dairy policy announced on March 23 so as to adapt it more closely to the needs of dairy producers in order that they be more satisfied and their income less penalized?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): We intend to hold further discussions with

officials of the government of Quebec as well as with representatives of the dairy industry there in the hope of getting a better understanding of the reasons for the changes which were made and seeing that the financial burdens of the surpluses are shared more equitably among those who have produced them.

REPORTED IMPORTATION OF NEW ZEALAND MILK—FORM OF PRODUCT

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Agriculture. Is the milk which is reportedly being flown into Canada from New Zealand entering this country in fluid form or in reconstituted form?

Hon. H. A. Olson (Minister of Agriculture): I shall have to take note of that question and look into it.

[*Translation*]

DAIRY POLICY—MEETINGS BETWEEN FEDERAL OFFICIALS AND REPRESENTATIVES OF MILK PRODUCERS

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to ask a supplementary question.

Could the Minister of Agriculture tell the House whether, since the new dairy policy has been announced, formal meetings have taken place between leading officials of his department, representatives of the Canadian Dairy Commission, members of the milk producers' unions and of the CFU of the province of Quebec concerning the problems created in Quebec by this policy?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): I am not sure there have been any formal meetings since April 1 when the amendments to the policy went into effect, but certainly prior to that date there were many meetings and the policy which is now in effect was discussed on several occasions.

[*Later:*]

[*Translation*]

DAIRY POLICY—MEETING BETWEEN PRIME MINISTER AND QUEBEC EASTERN TOWNSHIPS MILK PRODUCERS

Mr. André Fortin (Lotbinière): I have a supplementary question for the Prime Minister, which follows the one I put earlier to the Minister of Agriculture.

After the huge demonstration that 3,000 people held in Sherbrooke on Friday, April 17, the Eastern Townships' dairy producers decided unanimously to invite the Prime Minister to come and explain the dairy policy to them. Could the Prime Minister tell the House whether he has received such an invitation and, if so, did he answer it?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know whether I received an invitation, but I will inquire. If I did, I shall give it serious consideration.

[*English*]

FINANCE

UPWARD REVALUATION OF CANADIAN DOLLAR

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Finance whether he proposes to make any statement in the near future with regard to speculative opinion that the upward limit on the Canadian dollar in relation to the United States dollar might be increased?

Hon. E. J. Benson (Minister of Finance): I am very pleased at the strength of the Canadian dollar. However, I should like to remove any speculative opinion with regard to the government considering revaluation of the Canadian dollar.

POST OFFICE

MOVEMENT OF MAIL—HIRING OF DRIVERS IN MONTREAL

Mr. Heath Macquarrie (Hillsborough): I should like to address a question to the Postmaster General, whose return to our midst brings joy unbounded.

Some hon. Members: Hear, hear.

Mr. Macquarrie: Can he advise the House whether the mail is moving normally or, should I say, with reasonable expedition, today in Vancouver, Montreal and Quebec City? Further, can he tell us how many drivers have been hired in Montreal and, of this group, how many are former employees of G. Lapalme?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): We shall be hiring approximately 250 drivers in Montreal to carry out all the work which was formerly performed by 457. So far we have hired about 210; there are about another 40 openings in Montreal. Mail is moving satisfactorily in Montreal at the present time. Yesterday we were able to lift the embargo on

parcels. The effect of lifting that embargo will not, of course, be felt for another two or three days.

NATIONAL DEFENCE

SPECIAL TRAINING OF FORCES IN CONTROL OF PROTEST GROUPS

Hon. J. A. MacLean (Malpeque): I should like to direct a question to the Minister of National Defence. Can he assure the House that adequate numbers of our armed forces are specially trained in the controlling of protest groups so that no incidents of the kind which occurred at Kent University, Ohio, yesterday could take place here in the event that our troops were called upon to render aid to the civil power in Canada?

Hon. Léo Cadieux (Minister of National Defence): I believe the procedures which regulate the use of troops in Canada are extremely strict. It is manifest, of course, that the troops are always under the authority of the civil power. But we must make sure that in any instance the regular officers would also represent the ultimate authority for the troops.

INDUSTRY

APPLICATION OF URANIUM REGULATIONS TO PETROLEUM AND MINING COMPANIES

Mr. Eldon M. Woolliams (Calgary North): In view of the anxiety in the petroleum and mining industries may I direct this question to the Minister of Energy, Mines and Resources. Following his statement today I should like to ask the minister whether the rules and regulations which were outlined today in relation to the uranium industry will apply in any way to persons or corporations engaged in the development of the petroleum and mining industries in this country apart from uranium.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): There have been no restrictions as to ownership, foreign or otherwise, in any phase of the mining or oil industries except as to uranium. However, as I think has been announced by the government, there is a review in process with respect to foreign ownership of Canadian industry in general. To date, though, it should be quite clear there are no rules which in any way inhibit ownership or limit the possibility of foreign ownership in any area except uranium. The announcement today referred to uranium. Our previous announcements referred only to uranium, and the regulations which are to be prepared for discussion with the industry and the provinces apply only to uranium.

Mr. Woolliams: Since many of these corporations engaged in petroleum production and other mining activities are inter-related and have interests in uranium as well as in other minerals and petroleum, will these regulations and rules announced today apply to such corporations as I have mentioned and to the ownership by them of uranium as well as other minerals and petroleum?

Mr. Greene: They will apply to those corporations in respect of that aspect of their work which concerns uranium but not in any way with respect to their work on oil or petroleum or other substances. And, of course, today's announcement indicated that in connection with properties on which they are already working, or were working as of March 2, they will be treated in the same way as existing mining companies and thus their rights will be preserved over those properties.

Mr. Woolliams: Mr. Speaker—

Mr. Speaker: Order. There are just three or four minutes left; perhaps we might continue with this subject tomorrow.

AIR TRANSPORT

IMPOSITION OF PROHIBITIVE TICKET TAX BY CZECHOSLOVAKIA

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a question for the Minister of Transport. Has the government protested to Czechoslovakia the severe travel restrictions imposed by that country and in particular the prohibitive airline ticket tax recently announced just as Air Canada's schedule is being developed into Prague?

Hon. Donald C. Jamieson (Minister of Transport): No formal protest has been lodged yet but we are looking into it and we shall take whatever decision is necessary or possible within the next couple of days.

URANIUM

INCENTIVES TO SMALL CANADIAN EXPLORATION COMPANIES

Mr. Norman A. Cafik (Ontario): I have a question for the Minister of Energy, Mines and Resources. In view of the fact that a

number of small Canadian mining firms engaged in exploration for uranium are presently experiencing serious financial difficulties as a result of recent statements affecting that industry, does the government have any plans to remedy this situation by offering special incentives to Canadian-owned mining firms or adapting other measures?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I fail to see how any government announcement could have had any harmful effect on the exploration or mining activities of Canadian firms. The whole purpose, of course, of the initiative taken by the government in this area is to maintain a high degree of uranium ownership in Canadian hands or Canadian corporate hands.

Mr. Cafik: A supplementary question.

Mr. Speaker: Order. The hon. member for Temiscamingue.

[*Later:*]

Mr. Cafik: Mr. Speaker, I rise on a point of order.

Mr. Speaker: Order. The hon. member for Ontario is rising on a point of order.

Mr. Cafik: My point of order results from the answer given to my question by the Minister of Energy, Mines and Resources. I raise the question now because the answer given may have implied that I did not know what I was talking about.

Some hon. Members: Explain!

Mr. Cafik: Mr. Speaker, the implication is that Canadian firms in the mining industry are not in any way affected by this particular ruling or these statements. I feel that many Canadian firms, not only in that field but in others, often borrow amounts of capital from the United States and are thus affected—

Mr. Speaker: Order. That is not a point of order.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

PUBLICITY GIVEN PARTI QUÉBÉCOIS

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Prime Minister.

Saturday and Sunday last, the new members of the provincial wing of the Ralliement créditiste and all the candidates at the election of April 29 met in Quebec City. Naturally, the CBC did not refer to the event. Last night, following a meeting of Mr. René Levesque's separatists, there he was on the CBC network. I would therefore ask the Prime Minister whether the government is about to take a decision about that corporation which costs $191 million not only to Mr. René Levesque but also to all Canadian taxpayers?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the facts are as stated by the hon. member—and I have no reason to doubt that—I feel that this is a rather shocking situation. I will get in touch with the Secretary of State, so that he may ask the CBC for a report on its activities. Then the House of Commons will be able to decide what should be done about it.

[*English*]

NATIONAL DEFENCE

NAMAO AIRPORT—INQUIRY AS TO SALE TO ALBERTA

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct my question to the Minister of National Defence. Would the minister please inform the House whether the airport at Namao, Alberta, is being phased out and sold to the government of Alberta so as to allow the province to build a proposed university on the same site?

Mr. Speaker: Order. I think this question should be placed on the Order Paper, or debated at the time of adjournment if the hon. member wants the matter given precedence.

Mr. Paproski: Mr. Speaker, all that is required is a yes or no answer.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the answer is obviously no.

EXTERNAL AFFAIRS

METHOD OF MAKING REPRESENTATIONS TO OTHER NATIONS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Prime Minister. Further to the question asked yesterday by the hon. member for Oshawa-Whitby as to whether or not Canada had made official representation to United States authorities with regard to U.S. involvement in Cambodia, and the answer given by the Secretary of State for External Affairs to the effect that

representatives of the United States government were in the gallery, could I ask the Prime Minister whether or not this is the Canadian government's method of conveying information to governments of other nations?

Mr. Speaker: Order, please.

Mr. Skoberg: A point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Moose Jaw is rising on a point of order.

Mr. Skoberg: Mr. Speaker, this is not a facetious question. I suggest that it is disgusting, degrading and revolting to have an answer given by a minister that suggests that Canada should make official representation simply by quoting something said in the House of Commons.

Mr. Speaker: Order, please. The hon. member's point of order very much resembles the one raised by the hon. member for Ontario. I would not think it is acceptable as a point of order; rather, it is a point for debate.

Mr. Skoberg: Then, I rise on a question of privilege. As an elected member of the House of Commons and a representative of Canadians, I suggest I should know whether or not the government of the day is making official representations to other nations of the world through the House of Commons or through other forms of communication that are available. I have received inquiries about this, and as a member of the House it is my privilege to seek an answer.

Mr. Speaker: Order. The hon. member can obtain this information in many ways, one of which is by putting the question on the Order Paper. Orders of the day.

[*Translation*]

PRIVILEGE

MR. LANIEL—TEXT OF A QUESTION ON THE ORDER PAPER

Mr. Gérald Laniel (Beauharnois): Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: The hon. member for Beauharnois on a question of privilege.

Mr. Laniel: Mr. Speaker, I rise on a question of privilege.

I have placed on the order paper a question bearing No. 1,811. I feel that the text does not correspond to the one I gave the officials responsible for preparing the order paper. Therefore, I conclude that my French version was translated into English for the English order paper, then retranslated into French for the French order paper, or else my text was interpreted and I am not prepared to accept that. I wish to draw this error to the attention of the Chair and of the House, and I hope this will not happen again.

Mr. Speaker: The Chair shall look into the matter raised by the hon. member.

• (3:20 p.m.)

[*English*]

GOVERNMENT ORDERS

STANDARDS COUNCIL OF CANADA

ESTABLISHMENT, OBJECTS AND POWERS, ORGANIZATION, ETC.

The House resumed from Friday, March 13, consideration of the motion of Mr. Pepin that Bill C-163, to provide for the establishment of a Standards Council of Canada, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs, and the amendment thereto of Mr. Lundrigan (p. 4726).

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to address a few remarks to the House in relation to Bill C-163, by which the government intends to establish a Standards Council of Canada as outlined in the bill.

First of all, I should like to make a few remarks about the amendment moved by the hon. member for Gander-Twillingate (Mr. Lundrigan). At the outset, may I say I think it is a very good amendment in that it has given the trade and the people interested in this legislation the opportunity to study the bill, to look into its ramifications and the very great powers that are incorporated in the bill.

The question of a Standards Council of Canada first came to my attention in this House in December 1968. At that time the House was debating a supply motion and the minister was introducing his departmental estimates. Included in his estimates was an item amounting to $80,000 for the purpose of establishing a Standards Council of Canada. I put forth the argument that the minister should not be asking for $80,000 for this purpose until he had outlined to the members the reasons for asking for this amount. Finally, the minister agreed—and I thank him for this—to my suggestion that he first bring in the legislation, tell the House what it was all about, and that if we approved the legislation

and all that it embraced the House would then consider allotting him this money to set up the council.

Then, the matter seemed to be dropped until December 1 when the House gave the bill first reading. Since then it has been discussed on two or three occasions. In the interval since the introduction of the bill many industries, manufacturers and other people interested in it have raised many objections to this type of legislation. No later than today there arrived on my desk a copy of a letter from the Canadian Chamber of Commerce. I think all members of this House respect very highly this organization. The chairman of the executive, Mr. Donald N. Byers, sent to me a copy of a letter which he wrote to the minister. In this letter he said some very important things:

Our Executive Council thinks that the Federal Government will merely create duplication of effort and spend unnecessarily, if it forms a new corporation. There is also the distinct possibility of creating confusion regarding standards to be observed by Canadian industry.

Why would any government want to introduce in this House legislation as confusing as this is, knowing full well that industry, represented by the Canadian Chamber of Commerce, does not wish this legislation? The letter continues:

The danger of confusion for industry lies in the fact that the Standards Council will make use of existing organizations which will continue to maintain their own freedom in determining priorities and policies in writing standards; and yet in item 2 Clause E of the Bill, the proposed Standards Council will review new standards and revisions of existing standards and approve those standards as national standards where appropriate. Therefore, whose standards does industry follow—the Canadian Standards Association or the Standards Council of Canada?

Industry is confused, perplexed and frustrated. Why would we want to proceed with this type of legislation or even send it to the committee for further study?

Mr. Pepin: Mr. Speaker, may I make a very simple observation? The Canadian Standards Council—

Mr. Speaker: Order, please. I have some doubt whether the minister can make an observation. He can ask a question at this time but no more.

Mr. Pepin: Mr. Speaker, is the hon. member aware of the fact that under the legislation now before the House the Canadian Standards Council will not be writing standards.

Mr. Hales: Will not be writing what?

Mr. Pepin: Standards.

Mr. Hales: Well then, I cannot understand why the executive council of the Canadian Chamber of Commerce would ask whether they are to follow the standards of the Canadian Standards Association or of the Standards Council of Canada. This is what the Chamber of Commerce asks.

Mr. Pepin: Neither can I.

Mr. Hales: This brings me to the second point involving why we need this Standards Council now in this period of government austerity. Why should we set up another bureaucracy or empire that will build and build, as has been the case in respect of the Department of Industry. Members of this House know all about that. Yet here we are embarking upon another program which I believe the minister said would cost in the neighbourhood of $190,000 just to launch. We can be sure it will grow like Topsy and become another empire which is not needed at this time. I made it my business to ask a few people what they thought about this proposed legislation. I should like to read a few brief sentences from some of the letters I have received. The author of one letter apparently has been in discussion with some manufacturers in the province of Quebec. This letter raises a rather important point about which I had not thought. It reads:

In discussion of this point with representatives of the province of Quebec, they have indicated that while they are prepared to continue to co-operate with the Canadian Standards Association—

That is the present independent one.

—they would not be willing to continue this arrangement if many of the activities of the Canadian Standards Association were taken over by a Federally dominated Standards Council of Canada.

I had not thought about this, but apparently this gentleman has been advised that the Quebec manufacturers are not too happy about joining in this sort of an arrangement. Here is another letter, which reads:

We feel that a standards branch is indeed another Government control over our operation. A great percentage of our administration time is now spent for Government requirements which indeed have benefits for our country and its people but still affects overhead.

That is from a manufacturer of textile products in my area. The letter continues:

We are not convinced that Government intervention will raise production standards.

These comments are from successful businessmen in the industry. Here is another from the president of a company involved in the electronics industry. He says:

It is our feeling that the cost of another government set-up to do this would be another big expense to the people of Canada, which is overburdened at the present time.

This substantiates what I said earlier. Then I have a letter from a manufacturer of home freezers. It is very interesting to note that 80 per cent of the home freezers manufactured in Canada are made within a radius of 20 miles of Guelph, Ont. So, I come from the home freezer area. The letter reads:

—this smacks terribly of preparation for state-control. Competition is doing a marvellous job in bringing to the market better quality products. Competition is continually striving to produce better sizes, better shapes, better content, better performance and better Canadian goods.

My first and major objection to setting up this new council is that of finances. Canada is already living away beyond her means. No new commissions or councils should be set up. Government should curtail expenses everywhere it can, but a lot of its staff and wherever possible renege on commitments that never should have been made.

We must remember that these letters are from successful business people. Let us get our ears tuned in to the man on the street, the manufacturer, and the person who has to produce income in order to pay the income tax in this country. Let us get tuned in to these people and not just sit in an ivory tower like the people who dream up these ideas for new councils, new organizations and everything else. Let us think about these people who are trying to make Canada grow and produce the dollar bills with which to pay the salaries of government people. It is time we were tuned in to these people. This gentleman goes on to say:

We are likely in the near future to adopt the decimal system. This is going to bring a lot of changes. Now let's not try to make changes too fast. We have present standards for safety of electro-equipment, gas equipment etc., etc. We have standards for quality in foods, meat inspection, food inspection. We have standards to prevent distribution of diseases. We have standards for drugs. I do not think we need any more standards right now. What we need is to correct some of the other problems which are far greater and of far more importance to this country.

I am quite satisfied that any further standards we need which are necessary to progress and international trade can be brought about by existing organizations and we don't need to set up a super council to look after this.

The Canadian Standards Association, which has been in operation for many years and which has done a very good job, has sent

[Mr. Hales.]

letters to most Members of Parliament stating that this bill is not in the best interest of the public in so far as standards activities in Canada are concerned.

The Canadian Lumbermen's Association states their reasons for believing that such a council is not necessary at this time. I believe the amendment of the hon. member for Gander-Twillingate is an extremely good one. It would give a six months' hoist to the bill. If we were to do this, I am sure we would hear from many more manufacturers in this country to the effect that such a council is not necessary at this time. I shall vote in favour of the amendment, but in any event I sincerely hope the government will seriously consider completely redrafting the bill or sitting down at the table with representatives of the Canadian Standards Association, as it now exists, to talk this over rather than try to push the bill through against the will of what would appear to be a great many people in this country.

• (3:30 p.m.)

I think that with those few remarks I will simply quote one paragraph from a letter from the Canadian Chamber of Commerce. Again, I wish to emphasize the great value of the Canadian Chamber of Commerce and the opportunity they have to gather information, thought and leadership from those in the trades. They are well tuned into what is going on and know far more in this respect than the government or the people who sit in ivory towers and think up these ideas. The paragraph reads:

Our Executive Council recommends that the government should not establish the presently proposed Standards Council of Canada, but should instead appoint a voluntary co-ordinating body comprising members from primary and secondary industries; distributive and service industries; consumer associations; the academic community; federal, provincial and municipal governments; to work with existing standards agencies to protect the consumer and assist the manufacturer in those areas of standardization the government considers essential.

I will conclude by saying that, judging from the letters and information I have received, there seems to be no need for this piece of legislation now and I fail to see why the government has introduced it. Many things are more pressing in Canada today. We do not have the money to implement the provisions of this bill and its objectives are not clearly outlined. There seems to be confusion, frustration, overlapping and duplication in this area.

I would like to have this bill given a six months hoist. I am sure that at the end of that time the minister, the government and members of this House will have received more information, letters and representations to the effect that this piece of legislation is not necessary at this time.

Mr. James A. McGrath (St. John's East): I think the hon. member for Gander-Twillingate (Mr. Lundrigan) in presenting his amendment provided a very valuable and useful service because his amendment to give the bill a six months hoist has served to focus the attention of the country on the legislation perhaps in a very dramatic way. Certainly if the hon. member had not moved his amendment, the bill could have gone through all stages in the House without receiving the attention which, in my view, it so justly deserves.

I want to endorse, and indeed to reiterate, the sentiments of my colleague who has just taken his seat because I, too, am a little confused as to the reason the government brought in this legislation at this time. Perhaps the minister, in his usual affable and friendly manner, will enlighten us as to exactly what the thinking and strategy is behind his legislation. Certainly, he would be the last minister in the government whom we would expect to espouse the "Big Brother" theory of government which, in my view, this bill represents. This bill suggests that only the government is capable of providing an adequate system of standards in the country. That is the inference I take from the bill and that is indeed the only conclusion to which we can come for introducing the bill in the first instance. We have in this country, and have had for a number of years, the Canadian Standards Association. This body has been providing this service and, I think, even the minister would be prepared to concede it has carried out a very successful and useful function. It has been carrying out this function in a peculiarly Canadian way, without domination by government but with its participation. Indeed, there has been participation by industry and by all levels of government.

The Canadian Standards Association is a non-profit organization that has no shareholders. It enjoys the privileges of a federal charter. It has more than 3,000 members, comprised of government, industry and consumer groups. The standards are drafted by committees which only arrive at a consensus after long and careful study, and it is generally agreed by all across the country that the CSA has more than fulfilled its purpose.

So, we come back to the question: why does the government find it necessary to interfere at this time? What will be the position of the provinces and the municipalities which up to this point have participated in, and have formed a useful part of, the Canadian Standards Association if the government has its way and if it successfully gets Bill C-163 through Parliament? Has there been agreement with the provinces and municipalities? Have these governments indicated their dissatisfaction with the present arrangement? This may be true.

This is an area in which the minister hopefully will take the House into his confidence and enlighten us, because certainly we want to know why this legislation is necessary. Does the minister feel that this type of government action is necessary to prepare ourselves for Britain's ultimate entry into the Common Market and to deal with the governmental standards organizations of Europe? Perhaps that might be the reason. If so, I think it can be usefully argued that the Canadian Standards Association can, for purposes of our dealings with the Common Market countries or other countries in the world, function in the same way as a government body because, as I said, up to this date the government of Canada has participated fully in this organization.

• (3:40 p.m.)

The minister said the following in his press release:

> The Council would be based on the principle of co-operation between all interested groups—manufacturers, commercial interests, service industries, government, consumers. It would speak for all Canadians. The Council will be independent of government in its policies and operation but it will be accountable to Parliament for the expenditure of public funds.

That is government jargon. It is just the government's way of saying, "We are going to control the standards of this country and this is our way of doing so." I ask, has it been necessary? Have there been complaints from the groups mentioned in the press release which make it necessary for the government to take this action? If there have been, then I suggest the minister certainly has a responsibility to tell us, because all of the reasons outlined in the minister's press release of March 12, 1970 can be cited in support of the argument that the government should withdraw this legislation and continue to co-operate with the Canadian Standards Association.

I hope that when he closes this debate the minister will tell us precisely what has influenced his thinking because we have been inundated with briefs, letters and verbal representations from all across the country expressing concern at the government's interference in this legitimate Canadian enterprise.

I find it difficult to quarrel with the many concerns that have been expressed. As the hon. member for Wellington (Mr. Hales) just indicated, I too find it difficult to understand why it should be necessary for us to undertake this added financial burden during a period of austerity, why it should be necessary to add to the already substantial bureaucratic machine that has been built up since the government took power.

The Canadian Standards Association is a useful Canadian enterprise, formed in a uniquely Canadian way, and fulfilling a very useful function in our society. The minister would be well advised to take a long, hard look at this before he decides to interfere in this legitimate Canadian enterprise.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would like to participate in this debate for a short period of time. I do not wish to reiterate the points that have been made by my colleague, the hon. member for St. John's East (Mr. McGrath), but that is not to say that they are not extremely important. I believe that the minister and the government should be interested in acting in such a manner as to accommodate the valid objections and desires of industry, and of others who are interested in the subject matter of Bill C-163. After all, the establishment of standards, both of measurement, of quality and of other things, is an extremely important matter in trade and industry. Up to now, it has been done on a voluntary basis. I have no very strong objection to the establishment of an official board if it also has new duties to perform, provided that the voluntary organizations that have been doing this work are reasonably accommodated.

Having said that, Mr. Speaker, I hope that when he closes this debate the minister will have something to say to indicate that the government is not rigid in its position, that it will consider sympathetically the valid and conscientious suggestions put forward whether by other parties in the committee, by industry, and by those specially concerned with this question. If the minister sees fit to do that, I am sure it will expedite this debate, and also greatly expedite consideration of the bill and its passage through the committee. If the minister indicates this kind of constructive attitude he will be doing Canadian industry and Canadian consumers a service. I am not suggesting that the minister is digging in his heels, but to dig in his heels on some particular principle I think would not be in the interests of Canadians generally.

One of the duties of the proposed council will be, and I quote, to:

> —review the need for and make recommendations with respect to the use of, or conversion to, the international system of units, known as the metric system, in Canadian industry, trade and commerce.

Although this idea is expressed in but a small sentence, it will be one of the most important duties of the new council if the bill is passed. We in Canada are in a very special position with regard to the usage of, and conversion to, the metric system. Most of the world has already converted to the metric system. Its advantages are obvious, but the conversion should be a carefully considered procedure. I believe that the conversion should be done gradually, perhaps in certain segments at a time. There may indeed be segments in which the metric system need not be introduced at all.

On the other hand, there are parts of our industry and commerce in which the metric system has already been introduced. The pharmaceutical industry is one. For years the metric system has been used in science, and in some other fields. But we in Canada are in a peculiarly difficult situation. We belong to the English speaking world which uses the English system of weights and measures in most cases, or some modification of it. I believe that Britain herself and Australia are in the first stages of conversion to the metric system. However, in Canada we are next door neighbours to the great United States, a country which is still using the foot-pound system, and either we will have to act in concert with the United States in the change-over, or at least act in a way which will disturb our trade relations with the United States as little as possible while at the same time making us more competitive in other world markets where the metric system is already in use.

The more one thinks about the many complications of the change-over the more one is impressed with the vast number of fields of activity in which it would be an advantage to use the metric system, and the longer we delay the transfer the more difficult it will become. For example, the problem of converting building products to the metric system

may be a horrendous one because all our building has been geared to the English standard of measurement. The products of building material factories, saw mills and like industries, the thicknesses of metals and specifications for steel, will have to be considered. These measurements will have to be converted carefully to metric measurements, and in many cases the process will be slow.

• (3:50 p.m.)

The field in which the metric system will bring tremendous and enormous advantages is the field of education. But more important than that, the metric system of measurements will prove superior to any other system used for the housewife who is purchasing anything in the market place. It will be much easier to make comparisons between different sizes of containers and so on. You do not have to be a first class mental mathematician to figure out whether it is better to buy two small items, or one large item for a given price. Comparisons will be easily made and this will be of tremendous advantage. Introducing this system will also enable the number of different sizes of tins used for canned foods and like products to be reduced. That will produce economies in the processing industry as well as in other industries making these containers.

In the field of engineering, it is vitally important for measurements to conform to a uniform standard. Pipes, nuts and bolts, the number of threads to a unit of length on a screw, and so on must all conform to one standard. At present the specifications for items like these, produced here are different from the specifications pertaining to those items produced in countries adhering to the metric system. This has created complications, especially in the export and import of items like automobiles that require special wrenches and tools. Sometimes when an automobile has been made in a country adhering to the metric system you find that the standard nuts and bolts made over here will not quite fit it. The universal introduction of the metric system in the field of engineering will simplify international trade to a great degree. I look forward with pleasure to the day when modern countries, especially advanced countries like Canada, United States and Great Britain, will utilize the metric system, thus facilitating the exchange of trade in many ways, especially in those matters involving engineering, building materials, structural steel and that sort of thing.

However, I think we should proceed with great caution to make sure that a minimum of friction is created as we change from the present system to the metric system. The process should be long and gradual, but should be persisted in until it is finally accomplished. The speed of changeover should not be such as would produce great dislocations for trade and industry. Of course, there are many segments of our commerce in which it would not be advisable ever to introduce the metric system. The metric system was not applied to the measurements of time in France, because it was not feasible to do so. I think practically all countries in the world now use the double 12-hour system.

There are other segments of society in which this system may never be applied. One that comes to my mind is that involving land and land measurements. Although I do not pretend to be an authority in this field, I see little need for changing our whole grid of surveys of farmland so that it conforms to the metric system, because nothing useful would come out of that. The farmers of Canada have enough difficulties already without having to struggle with decimal points in trying to figure how many hectares equal a section.

In summing up, may I say that the duty which it is contemplated will rest on the council to be set up will be most important. The duty to do these things, although not its most important duty, will be very important. If it acts wisely, with persistence on the one hand and patience on the other, I think it will have an opportunity to do a great service to Canada and to create a climate which will facilitate the trade and commerce of the country. I take special pleasure in the government's proceeding along this particular line because I myself have had a private member's bill, as have other hon. members, on the Order Paper for some years on the subject of Canada's proceeding with the consideration at least of the process by which it might change over to the metric system.

Mr. Barney Danson (York North): Mr. Speaker, I enjoy participating in a debate of this type, if it can be termed a debate. I think it is a reasoned discussion by reasonable men on a reasonable proposal. We are dealing with an area in which I have had some experience in my private life. It is an area that I think deserves the sort of consideration that it has been shown this afternoon. I am a little disturbed, however, that we should have to deal with an amendment which seeks to hoist the legislation for six months. I have the greatest

respect for the hon. member for Gander-Twillingate (Mr. Lundrigan) and I am sure his actions are genuine.

I think perhaps we should ask ourselves this principal question: is the legislation really necessary? If we decide that it is, we should then make certain that we are bringing forward the best possible legislation and regulations to make this law work. The question is not really whether this legislation will be good in another six months or six years, but whether the legislation is needed and whether it is good legislation. I think it is. We can always find reasons for delay, and the matter of delay is one thing that disturbs me about this august place.

We are never really quite ready to move, because we have never quite tied up all the loose ends, crossed all the t's and dotted the i's. As a businessman who has been here almost two years, I have found this somewhat disturbing. I was always a little fussy about seeing that everything was in place before I moved, but here things do not work that way. Actually, I think if most businessmen are honest with themselves they will admit that they tolerate a very high degree of inefficiency in their own organizations and they do so for many reasons: first, because they are inefficient themselves, and second because businessmen deal with human beings. People come to Members of Parliament and say, "Get tough; fire these people and knock these people out." When the Prime Minister said that the Civil Service was to be cut back by 10 per cent, the Leader of the Opposition said that action was brutal. And it was brutal. It is not very nice for those who have to carry out this action. That is why we, in our private lives, do not do brutal things very readily but demand that governments and legislators carry out such actions. I do not say these things should not be done. We must be businesslike in our whole approach and thoroughly investigate these suggestions. However, it is much easier to sit back and tell people to do things than to do them yourself.

• (4:00 p.m.)

One minister indicated to me the personal anguish he suffered when it was necessary to make serious cuts in his department. He spoke of the personal hardship this caused. Many people applauded this action, but they did not have to undertake it. Even though everything is not perfect and some things may be criticized, we must still proceed. If the bill is as dangerous as some critics imply, I would be against it.

[Mr. Danson.]

We must be very careful to not have too much government intrusion into the private sector. I have spoken to many groups across the country on other matters of reform. I am concerned that the tentacles of government do not become too deeply imbedded in our society. Society and industry are changing and are becoming much more complex. It was great to do business in your home town and deal only with people within a short radius. I have been in business for 25 years and realize that businesses have now extended beyond local operations. I am not only talking of myself but other businessmen have seen their businesses spread across the country, into the United States and halfway around the world. The world is not the same; it is changing. We cannot satisfy ourselves with the techniques we have used previously.

I am very familiar with the CSA. I have immense respect for this organization which personifies all that is good in industries and business people working together. I have no time for those people who think that everything done in business is devious. Certainly, there is a dollar measuring stick, but there is also a humanity measuring stick. The same things which keep us from being efficient are the human things that make businessmen responsible and responsive to one another. Of course there are exceptions. There are exceptions in all cases. The CSA has somehow harnessed all the facets of the Canadian industry. There has been great personal sacrifice by the members of this organization who have worked in co-operation with the individuals and companies and contributed to the welfare of these companies.

I found, in working with the CSA, that it sometimes took a long time to develop standards. However, you do not go shooting from the hip because in many cases voluntary standards are being adopted. It is necessary that they be right. However, sometimes there is reason to keep up the pace. I can recall a series of meetings which went on for a number of years concerning the standards for plastic pipe. There was no other body to do this except the CSA. I have been associated with the plastics industry, which is a new industry, and until recently did not have any regulating bodies. It took a fair amount of time to get the CSA working on our problem. The plastics industry's working relationships are improving, but for a long time we were groping. Many new industries and situations are developing so rapidly there will be no time for the same kind of groping.

The Standards Council of Canada can also give assistance to such fine and able people as those associated with the CSA. This is my interpretation of the bill. That is why I am somewhat disturbed about the apparent impasse that seems to exist in the relations between the government and the CSA. I have heard that the initial meetings were most amicable. The objectives seem to be identical. However, for some reason this relationship has fallen apart. As I mentioned, I have immense respect for the people of CSA and the organization itself, as well as the work they have done. I also have immense respect for our Department of Industry, Trade and Commerce. The minister in charge of that department is highly regarded on both sides of this House and across the country. The officials of that department are examples of how a first rate government department can operate.

When I return to the business community, for visits only I am afraid, and I am able to talk to the businessmen about something other than the white paper on tax reform, it gives me a great degree of satisfaction to hear about their dealings with the Department of Industry, Trade and Commerce. It is virtually praise all the way. I do not hear the same praise for all government departments; some departments do have problems. The Department of Industry, Trade and Commerce has a first rate record of working co-operatively with the business people.

As Canadians we must have high standards. We set high personal standards for ourselves, although we do not always live up to them. Sometimes we are pretty self-righteous. Consumers are demanding these standards. As far as my experience is concerned, the CSA never really got down to the consumer level, the housewife level. At a time when we are trying to develop even further as a trading nation, it is most important that people know that Canadian standards are good standards, ones on which they can depend. The Standards Council of Canada seal, if there is to be such a seal, must mean as much outside of Canada as the CSA seal of approval means within Canada. There are countries which have reputations for good standards and good products and other countries which do not.

I think that the Standards Council of Canada can help raise the standards. I do not think they can do this alone. They will require the help of the voluntary groups, the men of good will who know their business. This Council will assist private initiative in this country; rather than opposing, it will assist, co-ordinate and initiate. The Council will offer leadership, guidance and the financing which is very important.

I listened with interest to the remarks of the hon. member for Malpeque (Mr. MacLean) regarding the metric system. This is an ideal example of how standards can be used to great effect. It is a joy to deal with European businessmen. When sitting around a table of drawings and blueprints, although you are not able to converse in the same language, everything is much simpler because you are working in the metric system. Just moving decimal points around is really great. I think the metric system has many possibilities with respect to engineering, and the hon. member for Malpeque mentioned the construction industry.

The metric system is very useful in systems building. I had occasion a year or so ago to meet with some people from England who were engaged in the systems building business. They are now functioning in Canada in co-operation with a Canadian company. As a matter of interest, they got into this field by building the first Mulberry Harbours for the Normandy landing in World War II. Also, they built 70 per cent of the council housing in London. They have always used the metric system. To convert to the inch-pound system for the American and Canadian markets has been a horrendous experience. The metric system is much simpler.

If we really want to do something for our youth, why not adopt the simple metric system? Of course, we cannot switch over quickly. This is an immense task. Continuous studies of the metric system are being conducted by the Congress of the United States. Even the studies by the Ford Motor Company are immense. It may be an exaggeration, but it has been said that the time spent on a child's education could be cut by 40 percent if he were taught the simple metric system. Trying to figure out pounds, shillings and pence as opposed to dollars and cents is perhaps the simplest example. It would also be interesting if we could work out the time and dates in the metric system. I thought of this not when thinking about the metric system but when thinking about how complicated our system of times and dates is. If we could only get in on to something like the metric system it would result in simplification, but this would involve altering the solar system and I

do not think even this government could do that. While we think we have God on our side, I think he is still in control.

• (4:10 p.m.)

I must say I had a notice of motion on the subject of the metric system suggesting that we should at least, as a government, offer leadership by printing all our requests, our purchase orders, our standards and so on in the traditional system with the metric equivalent in parenthesis alongside so that we might slowly get used to comparing the two. It is a matter of comparison. When we say $2.50 and an Englishman says three pounds, two shillings and twopence; he knows what he means without figuring anything out. It is a familiarity which one develops. If we could start developing this kind of familiarity at the earliest possible stage, the transformation would be simple; it would be cheap and we could get along with it. We might even get to be a bi-measurement people as well as a bi-cultural and bi-lingual people.

There is another area. I do not say it has been overlooked but it is one which I have not heard discussed this afternoon. It concerns the importance of our relationships with the ISO. and other international standards bodies. I am sure it has not been overlooked. I think, probably, I was absent when it was discussed. I think this function of the SCC. will be of prime importance. Referring to my earlier remarks about a shrinking world, and how we are doing business in all parts of the world, I think it is terribly important that we should have close working relationships. I have been impressed with the Europeans in this respect. There is one firm in particular I can think of which deals with polyvinylchloride pipe. This is a very small facet of the whole economy but it is terribly important; it may sound highly technical to you, Mr. Speaker, but it is bread and butter to me. In any event, everybody who is involved in this field of work knows everybody else engaged in it personally; they know what they are talking about, they know what the standards are, and the standards are being continually upgraded because Jim Pepper in London knows Herr Schmidt in Switzerland, and Schmidt has developed a darned good system. They upgrade the standard all along. The British have their own, the French have their own and the Americans have their own and each one works a little differently.

I do not think there is any standard to fall into here. But we have to develop one which suits our particular needs and I think the co-ordination of our efforts is important. It is not only the CSA. I sat endlessly on Canadian government specification board meetings, again in the private sector working closely with government, to develop standards applicable to government and useful to government. This was work which government could not possibly have done on its own. I am going back 15 or 20 years, when I come to think of it. We were travelling to Ottawa and sitting in meetings at the National Research Council for hours and hours on end, day after day, stretching over months and months with no compensation, to help develop a government standard that we knew a little about and a few other people knew a little about. We pooled our knowledge to develop a good standard. There was nothing in it for us. Ultimately we got an opportunity to quote on some government business. My experience in quoting on government business is this: quoting on it is O.K., it is when you get it that you are in trouble.

An hon. Member: Who is going to pay for it?

Mr. Danson: I hope the private sector will still contribute in this way and that the standards council will be the co-ordinating body.

I cannot help thinking of the National Building Code. I do not know quite where it will fit in. It seems that one of our failures in this field has been our failure to get the municipalities to accept the National Building Code in its entirety, because there are variations. There is not the co-operation which is necessary and the building code applies in too few important areas.

I believe that since the institution of these hearings the CSA has tried to expand its facilities and broaden its entire approach. I think this is fine. This is possibly what the intent is. If this is what the SCC does, it will be great. It saves the government from getting into something else. A fine organization that is working well can broaden its scope with the encouragement of the government. But I think it has been limited. I think the work of the CSA has been broad and productive, but I think there have been areas which have been missed. I think we shall make certain that there are fewer of these gaps in the future because we shall have a co-ordinating group.

As I understand it, this is not to be a huge group or a terribly expensive group. As a

matter of fact, the meetings which the government and the CSA call for in the initial stages imply a very small co-ordinating group. I do not say it will be the Canada Council of Standards, but just as one would not have the Canada Council go out and put on a piccolo concert I do not think you will find the Standards Council of Canada doing the job of the private sector and the voluntary agencies unless it should become absolutely essential, in which case it has a basic responsibility. The work cannot be left altogether to the market place. We are deluding ourselves if we think we live in a completely free economy. I should not say "free". We live in a free society, I suggest. I meant a completely free market.

There are many factors at work, particularly internationally, which are affecting us, all with their good intentions and all with their own viewpoint. None of us is without a bias or without a viewpoint. This is perfectly legitimate. But I think the people from the private sector who are objecting to these proposals are afraid of something which I do not think stands a chance of happening. I am a member of the Canadian Chamber of Commerce, of the Canadian Manufacturers Association and of other groups including the Society of the Plastic Industry, all of which, I believe, are concerned. These are the very people who will be involved. They will not only be doing the work themselves but they will be reaping the benefits themselves, as will all Canadians. I agree we must be terribly careful that we do not reach down and spoil the good job that these people are doing. Nevertheless, I think there really is a need for a co-ordinating body. I think someone called it a super council. I do not like that word; it sounds like a commissar of standards and I do not think we function that way in this country.

The problem about some of these criticisms is that we speak as though we were not Canadians. You know, we have always had a system, our Parliamentary system, under which with a Prime Minister and a majority government we could have the worst dictatorship in the world. Yet somehow we have not.

Mr. Knowles (Winnipeg North Centre): No?

Mr. Danson: Well, not yet. I think Canadians will fight this at all costs. We just would not allow it to happen. If there were even the slightest hint of that from the front benches—and there is no indication of it—the people on the back benches would not stand for it because I think basically we are a free and democratic society, so this will not happen. With all the checks and balances the other systems have, I do not think any have any more responsibility than we have. Maybe there are some which have what might be considered a degree more efficiency but I would not trade that efficiency for the choice I have, and in any case I very much question that efficiency as well.

This reflects itself in the quality of life. I think I was saying in the debate yesterday that we have the second highest standard of living in the world. Some people say it is the third highest because Sweden has a technically higher standard of living. I respect the Swedes. They are a great people and Sweden is a magnificent country. But I do not think I would change our standard of living for theirs, nor would I change our standard of living for that of the country which is supposed to have the world's highest standard of living. These are not things that make a country great. The thing that makes us great is that we are Canadians, and we make ourselves great in our own special way, not any better than other people but just in our own way.

• (4:20 p.m.)

I have digressed into an area of philosophy that perhaps I should not get into when talking on the subject of standards, but the standards we are talking of are Canadian standards. This is Canadian legislation and we will respond to it and co-operate with it as Canadians. This means we will not be extreme unless some of our friends get into the matter too deeply, though I do not think this is likely.

In view of the affection with which the minister responsible for the bill is held in this House, I think that the terms of reference here will be eminently fair. I look forward to a great role for industry, for business and for the consumer as a result of a first class job done by the private agencies in this country, co-ordinated with, and inspired and assisted by, the Standards Council of Canada.

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, first I wish to express my gratitude to some hon. members who have participated in this discussion, namely, the hon. members for Gander-Twillingate, Wellington, St. John's East

and Champlain (Messrs. Lundrigan, Hales, McGrath and Matte) who have remained in the House to hear the replies to some of the questions they have asked.

May I also thank the hon. member for York North (Mr. Danson) for his kind words about me and the officials of the department it is my privilege to head. The reading of his comments on the ability and merits of my staff will make us feel that we should get for our offices a new frame in which to keep today's *Hansard*.

Mr. Speaker, the hon. member for St. John's East has asked me to throw more light on the matter. That reminds me of the vicar who, in the presence of his bishop, had preached in a particularly aggressive and loud manner. After his sermon, he leaves the pulpit and, when passing in front of his bishop, he says to him: I thundered at them, didn't I, Your Excellency? The bishop, not very much impressed with the content of the sermon, immediately replied: A little more enlightening would have been better. It may be the difficulty encountered by those who, like me, do not thunder at people, namely that they do not attract enough attention when they enlighten. Nevertheless, I shall attempt to answer the questions that were put to me.

It will not be possible for me to do everything today, but I refer my hon. friends to my speech of March 12 where I foresaw many of the questions they put to me then and again today.

In the first part of that speech, I analyzed the very concept of standards: What are standards? Why do we need them? How are they set up? And, what purpose do they serve? I think we have there a small code that every young man should know about standards.

He will find there especially the distinction between voluntary and compulsory standards. The member for Vancouver Kingsway (Mrs. MacInnis) seemed sorry that we are not today going to pass a bill to set up compulsory standards in every field. I feel there is room, in an industrialized society, for these two categories of standards, compulsory and voluntary ones.

But the most important part of the preamble to my speech of March 12 is that where I try to define the characteristics or essential qualities a national standards organization should have. I said, first of all, that it should be representative. The national organization must absolutely be representative of all the parties interested, directly or indirectly, in the adoption of standards.

In my opinion, this body should not only be impartial but also appear to be so. I remember when I quoted the well known example of Caesar's wife who had not only to be chaste but also to seem so in the eyes of the world. The same is true when we speak in terms of a national standards organization.

This organization should also command the respect of all, it should be dynamic and it should be aware of national, domestic and international policies. In spite of all my admiration for the Canadian Standards Association, and though I would be the first to acknowledge the valuable services it has provided to Canada, I do not think that right now, it meets the criteria I have indicated, and this is the view of the Association itself, not just mine. I have here, for instance, a press release from the Canadian Standards Association dated March 3 which reads:

[*English*]

The Canadian Standards Association today announced a nine-point plan to expand and strengthen its role as Canada's national standards organization. The changes range through improved communication—

That is, communication with their own members.

—to establishment of a consumer council, and give high priority to international standards work and technical aid to Canadian exporters.

Gordon B. Tebo, CSA managing director, said the planned expansion is a direct result of recent reorganization.

[*Translation*]

If I wanted to show off, I could also suggest that these important changes—which, incidently, I do welcome—are—

[*English*]

I might add this has been the direct result of the introduction of the Canadian Standards bill in this House.

Mr. Lundrigan: That is not a fair statement, as you know.

Mr. Pepin: I think it is a fair statement. I am glad to see that the CSA is improving itself, but I cannot promise to bring in a bill every year to make sure that the CSA is the totally dynamic body it should be at all times.

Mr. Lundrigan: It is a very unfair statement.

Mr. Pepin: It is not an unfair statement. I am sorry, I am moving into English. I could give a list of 50 sectors in industry within which the CSA has not been fully operative or operative at all.

Mr. McGrath: You are not perfect either.

Mr. Pepin: That is exactly my point. But the way hon. members opposite speak of the CSA, it is as if they are speaking about God or the Bible. The CSA is only one of the standards organizations in Canada; there are many others. The CSA is the most important one and has done wonderful things, but there are many other things it has not done.

The hon. member for St. John's East (Mr. McGrath) asked me what was the philosophy behind this legislation, and the philosophy is simply that. We observe that we have a number of standards-making organizations in Canada; we observe that there are some areas unstandardized; we observe that there is no really national standard policy-making organization. There is no one to decide, for example, in which area a greater effort is needed. This is exactly the reason we have brought the bill into the House.

I think this procedure is quite rational and has been done in other areas of activity. For example, we have a Canada Science Council. I suggest it is quite desirable and normal to have a Canadian Standards Council that is representative of all interests, of consumers, of all levels of government, of all types of groups concerned with standards. Each of these will be represented so that a truly national policy on standards will be evolved. It will be the focus for the forum, the umbrella, under which all those concerned with this sphere of Canadian activity will meet. I think this is a most desirable objective.

• (4:30 p.m.)

Mr. Hales: Would the minister accept a question.

Mr. Pepin: Yes.

Mr. Hales: Would the minister not agree that the Canadian Standards Association has done a very commendable job in the past on a national basis? Is there any reason that organization should not be allowed to continue in this way?

Mr. Pepin: I have already said that I have great admiration for the Association and certainly it will be allowed to continue. At the same time I also said that in my estimation—and I hope it will also be in the estimation of most members of this House—this organization has not satisfied fully the criteria which I believe should be met by an organization representing the total Canadian interest in matters of standardization. I do not think it has.

I have received letters from many people, Mr. Speaker, and I, like the hon. member, will read some of my correspondence in a few minutes.

Mr. Hales: That is the only point on which we differ.

Mr. Pepin: I do not think so.

[*Translation*]

I would like now to come back to the French language Mr. Speaker.

The hon. member's reaction was very interesting. It is quite typical I think. The official opposition usually adopts the "Why change" attitude. It is going to cost more, they say. Why create something new when there are already well established organizations which apparently are quite satisfactory?

On the other hand, the NDP's attitude is exactly the opposite. If the new Standards Council is not—

[*English*]

Mr. Lundrigan: On a point of order, Mr. Speaker, I wonder whether the minister would get around to reacting to the fundamental questions raised by hon. members rather than again philosophizing on how he agrees or disagrees with various members.

Mr. Deputy Speaker: Order, please.

Mr. Pepin: I am sorry, Mr. Speaker, but I did not get the question if there was one.

An hon. Member: There was no question.

[*Translation*]

Mr. Pepin: I was precisely talking about those two attitudes. One, conservative if I may say so, wishing to keep what we already have regardless of its numerous imperfections and the other, from the New Democratic Party, which consists in abolishing what we already have in the hope of getting the ideal thing.

So, as a good Liberal, I suggest a compromise between both extremes. I am pleased to see that the hon. member for Champlain seemed also in favour of a Standards Council of Canada while using the Canadian

Standards Association's services. It is exactly what we are trying to do in the bill I have the honour of presenting now.

Mr. Speaker, no doubt some people in the Canadian Standards Association have made great efforts to create concern or fear about the proposed Standards Council of Canada, despite the bill and the minister's endeavours to reassure them.

The Canadian Standards Association sent SOS messages to several groups of individuals, companies or associations in Canada and, at its request, people wrote us. In most cases, I simply replied by sending them a copy of *Hansard* for March 12, in which are recorded the speech by the hon. member for Gander-Twillingate and mine.

Quite often, and particularly on this matter, the correspondence of the hon. member for Wellington (Mr. Hales) might not be up to date. Representatives from some associations showed fear following the intervention of the CSA, but others wrote back to tell us that they were quite satisfied with the replies obtained.

I have before me quite a number of such letters. I cannot read them all, but some of them may serve as illustrations.

[*English*]

This is a letter from the Canadian Gas Association of Canada which, as you know, is an important standards-making association. It reads:

> After reviewing your statements, it is difficult to understand why we have been literally bombarded with statements and briefs requesting our support in bringing about the delay or dissolution of Bill C-163.

It continues:

> Since this step would probably have to be taken ultimately to ensure uniformity of standards-writing in Canada for the benefit of industry and consumer alike, you and your staff are to be commended for your foresight in vigorously pursuing this change and for giving the Standards Council of Canada an opportunity to become organized into a smooth-flowing agency in the event Canada becomes involved in long-range and complicated measurement conversions.

I could read the whole letter. There are two more pages, and it becomes more and more eloquent as it goes along.

Mr. Knowles (Winnipeg North Centre): So do you.

Mr. Pepin: So do I? I have quite a few more letters. Perhaps the hon. member for Winnipeg something, who is a favourite of the weaker sex, would like to know what the National Council of Women of Canada has to say.

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker; I did not say they were weaker.

Mr. Pepin: I don't think so either. This is a letter from the National Council of Women of Canada. The letter reads:

> We wish to assure you of our support when you introduce Bill C-163 and of our interest as we follow the readings through to Royal Assent.

They got the message. I cannot say so much for some members on the other side of the House.

Mr. McGrath: I hope the minister is more conciliatory when he sells wheat.

Mr. Pepin: The Canadian Wheat Board does that. Here is another letter from the Canadian Institute of Plumbing and Heating. This was written to one of my officials, and it reads:

> Please assure Mr. Pepin that this Institute is most anxious to co-operate wherever public interest is concerned. Many of our people are well versed in the subject of standards and we would be pleased to assist the council in determining the need for and the definition of individual standards.

I could give you copies of these letters. They are most eloquent. I am the first to recognize that we also have opposition. Some people have been more influenced by the SOS's, they received from the Canadian Standards Association than by reading the bill. In some instances, I wonder if they have read the bill or read it well. However, most of those who had doubts and who have received the information we provided have been reassured.

A number of specific questions have been asked today which I shall try to answer very rapidly. One has to do with the powers of the proposed Standards Council of Canada. May I repeat and emphasize that the Standards Council will foster, promote and co-ordinate. It will not usurp—which was the word used by my friend from Gander-Twillingate—take over or supersede. The Standards Council of Canada will not duplicate the activities of existing organizations. It will not write standards of its own. But I believe it is fair and desirable in the public interest that the Standards Council of Canada have the power to act if this should be necessary. If there should be a recognized need for standards in some areas, and if none of the existing stan-

dards organizations move, I think it is in the national interest that the Standards Council of Canada should have the power to create an organization that will do so or to ask an existing organization to do what is needed. I believe this is in the national interest. After all this is our responsibility in this House. We are not here to do what the Canadian Standards Association believes is right.

• (4:40 p.m.)

We are here to decide, with all the facts before us, what is in the interests of Canada. As Minister of Industry, Trade and Commerce, I am not here to defend the interests of industry; I am here to defend the interests of the people of Canada, and I think it is high time that all of us here concentrated on this particular matter. I add that the Standards Council will not operate inspection or testing laboratories; it will not invade the revenue sources of the Canadian Standards Association or those of other organizations.

The hon. member for Wellington (Mr. Hales) is particularly concerned about the finances of the Council as he has to live up to his reputation in these matters. I might say to him that the Standards Council's expenses will be paid out of moneys appropriated by Parliament, so that it will not encroach on the revenues of the Canadian Standards Association or of other organizations. The Canadian Standards Association has its own money which is derived from the services they render to industry. In addition the funds voted by Parliament for its own operation, the Standards Council will have funds to assist the CSA and other standards organizations. When the Standards Council of Canada becomes fully operational in two or three years' time, the annual expenses of the Council and of its staff are expected to be about $400,000. It is also expected that grants to assist the other standards organizations will be determined by the Council on the basis of need. However, it is expected that initially upwards of $200,000 will be required for this purpose annually.

The point was raised that in this time of austerity this was too expensive an item. I believe the hon. member for Wellington, whose intelligence can only be compared to his responsibility regarding public funds, should bear in mind that possibly millions of dollars are not being earned, are in fact being lost, because of deficiencies in our standards operations. I think this should be taken into account at this time.

Mr. Hales: Would the minister permit a question at this point? Could he advise the House on what budget the Canadian Standards Association operates?

Mr. Pepin: I think it is about $4 million to $5 million, but, if my memory serves me correctly, most of this is derived from revenues for services, the very direct services it renders to industry, for example, in the form of testing and inspecting. As the hon. member knows, the federal government provides $51,000 to help the CSA fulfil its international responsibilities. Of course, this will be part of the $200,000 which I already mentioned.

It has been mentioned that the staff of the Council would be very numerous. The Council will be responsible for determining what it needs to do and in the light of appropriations by Parliament and the size of the staff it will require to do it. At the time that the government and the Canadian Standards Association steering committee met, it was estimated that a staff of 13 professional people and 11 support people would be required. Since the Council will not engage in standards writing, testing and inspection activities, it will not need to hire or steal away personnel from CSA or from any other standards organization.

I should like to comment on many other points but my time is almost exhausted. One subject which was raised very often in the House has to do with a comparison between what the bill we are introducing now proposes to establish and what exists in France, Great Britain, the United States or elsewhere in the world. I have a series of comparisons before me now and the conclusion is simply that we have created something *sui generis*. In some ways it is like the British Council and in other ways it is unlike it. In some aspects it is like the French standards organization and in other aspects it is not. What is wrong with that? We are creating something that is typically Canadian, and personally I am all in favour of that. I understand that some Americans disagree with the way it is done in the United States, and this would only confirm that we should do our own thing.

There is one more point I would like to mention, especially in the light of what the hon. member for Malpeque (Mr. MacLean) said regarding the importance of conversion to the metric system. I am very concerned about the delays that this bill is encountering in the House because it was our intention,

and still is, to give to the Council paramount responsibility in the private sector for encouraging preparations for changes over to the metric system so as to achieve optimum benefits at a minimum cost. Specifically, it would be the Standards Council which would initiate studies, planning, consultations and be the ultimate organization for a co-ordinated approach to the conversion which would need to be capable of flexible adjustment to the evolving situation in Canada and abroad. In this instance we need somebody quite *au fait*, quite well informed.

There is no doubt, as the hon. member for Malpeque intimated, that the speed of the conversion will vary from one industry to another. In some individual sectors the conversion has already taken place; in other sectors it cannot take place until the conversion is carried out in the United States. So we need somebody quite well informed on all these facts to direct the effort that we want to see made in carrying out the conversion to the metric system.

[*Translation*]

Mr. Speaker, having all my life advocated flexibility, compromise and co-operation, I am willing today to set an example and prove that I do what I preach.

Since the beginning of this debate, and particularly during the recent sittings of the house which were devoted to it, many conversations, as I already mentioned, have taken place between my officials and representatives of the C.S.A. and the C.E.M.A. —the Canadian Electrical Manufacturers' Association—provincial governments and other agencies of all kinds.

Mr. Speaker, I myself took part in some of those meetings. Other similar meetings are contemplated, one I think for tomorrow, between the officials of my department and the representatives of the Canadian Standards Association.

It seems, Mr. Speaker, that interested people have arrived at a consensus. I should say rather that there is at this time a consensus regarding the establishment of that council. There does not seem to be any more objections to the establishment of the council itself.

• (4:50 p.m.)

As I said earlier, many who had reservations were comforted and reassured, since in any case they were in full agreement from the beginning.

But we still face difficulties about the definition of the powers of the Council to be and the choice of words which for some are too dynamic, too "active". They would want more "passive" words.

Mr. Speaker, I am ready to do the necessary efforts to reconcile all grammar and vocabulary experts on this matter. I think that we should now refer the bill to the committee in order to seek, like men of good will, some compromise.

I wish to make it clear, because I do not want to be charged with having given wrong impressions, that I am not at all desirous to change the substance of this bill. I want very much, however, to please the parties concerned about the formulas defining, for example, the relationship between the Council and the standards organizations.

In any case, the Canadian Standards Association is now ready to appear before the committee—at least according to my information—to submit a brief and discuss changes it would like to see made in the legislation.

As for me, I fully agree with that. Besides, I think that this bill should have been referred to the committee a long time ago.

[*English*]

I hope that at this time the hon. member for Gander-Twillingate (Mr. Lundrigan) will stand up and accept my very cordial invitation—

Mr. McGrath: The minister's cordiality is a little late.

Mr. Pepin: —to withdraw his amendment and allow the bill to go to committee.

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Lundrigan: I was about to reply to the minister's suggestion that I withdraw the amendment. That was the intention of the hon. member for Gander-Twillingate, previously, but having listened to the minister I am now more convinced than ever that there is a need for the amendment and that the sections of the bill granting certain of the powers need to be redrafted. I also wish to say that it is my impression the minister has misrepresented the views of the opposition, who agreed in principle with the bill but not with the extent of the powers provided by it. That is the reason for our amendment.

The House divided on the amendment (Mr. Lundrigan) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Asselin
Bell
Bigg
Coates
Crouse
Danforth
Dinsdale
Fairweather
Forrestall
Grills
Hales
Harkness
Lambert (Edmonton West)
La Salle
Lundrigan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
MacRae
McCleave
McGrath
McIntosh
McKinley
Marshall
Mazankowski
Monteith
Moore
Muir (Lisgar)
Nesbitt
Noble
Paproski
Peddle
Ricard
Ritchie
Schumacher
Scott
Simpson
Southam
Stanfield
Stewart (Marquette)
Thompson (Red Deer)
Valade
Woolliams
Yewchuk—47.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barnett
Beaudoin
Béchard
Beer
Benjamin
Benson
Blair
Blouin
Brewin
Brown
Buchanan
Burton
Caccia
Cadieux (Labelle)
Cafik
Cantin
Caouette
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Crossman
Cyr
Danson
Deachman
Deakon
Dionne
Douglas (Assiniboia)
Drury
Duquet
Émard
Forest
Fortin
Foster
Gauthier
Gendron
Gervais
Gibson
Givens
Gleave
Godin
Gray
Greene
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Harding
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Lachance
Lambert (Bellechasse)
Lang (Saskatoon-Humboldt)
Langlois
Laniel
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.) (Vancouver-Kingsway)
Mackasey
McBride
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Mather
Matte
Morison
Munro
Noel
Nystrom
O'Connell
Olson
Orange
Orlikow
Osler
Penner
Pepin
Perrault
Peters
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rondeau
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Sharp
Skoberg
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Thomson (Battleford-Kindersley)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whiting
Winch
Yanakis—142.

Division

• (5:20 p.m.)

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker. There have been some discussions concerning the particular committee to which this bill should be sent. I think there might be agreement to an amendment deleting the reference to the Standing Committee on Finance, Trade and Economic Affairs and substituting therefor the Standing Committee on Health, Welfare and Social Affairs. In these circumstances I should like to propose, seconded by my colleague the Minister of Energy, Mines and Resources (Mr. Greene):

That all the words after "referred" be deleted and the following substituted therefor: "to the Standing Committee on Health, Welfare and Social Affairs."

Motion agreed to.

Mr. Pepin moved:

That Bill C-163 to provide for the establishment of a Standards Council of Canada be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

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

Some hon. Members: On division.

Yukon Placer Mining Act

Motion agreed to, bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Macdonald (Rosedale): Mr. Speaker, in view of the fact that much of the private members' hour has elapsed, I wonder whether the House would agree to calling it six o'clock so that we might have a full debate next time?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order. Before calling it six o'clock it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Selkirk (Mr. Rowland)—Grain—Wheat—Suggested withdrawal or alteration of acreage reduction program; the hon. member for Hillsborough (Mr. Macquarrie)—Post Office—Postage rate increases forecast by minister—government policy; the hon. member for Halifax-East Hants (Mr. McCleave)—Transport—Fate of regional office in Halifax.

It being six o'clock, I do now leave the chair until 8 p.m.

At 5.28 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

YUKON PLACER MINING ACT

AMENDMENTS RESPECTING LOCATING OF CLAIMS, ETC.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved that Bill S-4, to amend the Yukon Placer Mining Act, as reported (without amendment) from the Standing Committee on Indian Affairs and Northern Development, be concurred in.

Motion agreed to.

[Mr. Speaker.]

Mr. Chrétien moved that the bill be read the third time and do pass.

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

NORTHERN INLAND WATERS BILL

CONSERVATION, DEVELOPMENT AND UTILIZATION OF RESOURCES

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved that Bill C-187, respecting inland water resources in the Yukon Territory and Northwest Territories, as reported (with amendments) from the Standing Committee on Indian Affairs and Northern Development, be concurred in.

Motion agreed to.

Mr. Chrétien moved that the bill be read the third time and do pass.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion?

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I think it might be worth while to take a few moments at this stage of the proceedings to emphasize one point that I think is of importance. I may say that the amendments made in committee were generally agreeable to all members of the committee, and I do not propose to discuss them except to emphasize that the understanding was that the purpose of these amendments was to give the people of the Yukon and Northwest Territories a greater voice in the operations of the boards which will be set up under the act.

However, having recognized that, I think it is important that those of us in this chamber should be aware that what we are enacting here is essentially legislation that would normally be enacted by a legislature within a province. However, because of the existing constitutional situation we in this chamber are, I feel, acting in this particular instance on behalf of the residents of the Yukon Territory and Northwest Territories. In addition, we should not be unaware of the fact that this bill ties in, up to a point, with the Canada water bill that is currently before the House.

I am not at this point raising the question of procedure that was debated at one point in the proceedings in the House in regard to the sequence with which third reading should be given these bills. As I understand it, this bill

has still to go to the other place. However, I should like to stress—and this is my purpose in rising—that in no case should royal assent be given to this bill until a final determination is made of the water act, to which there is specific reference in this legislation.

Because of the tie-in between this bill and the water act and the fact that both under this bill and under the Canada water bill it is possible to enter into arrangements involving the governments of one or more of the provinces and the federal government, and in view of the specific reference in this bill to involving one or more of the provinces in an arrangement with one or more of the territories, I suggest hon. members should be aware of the concern expressed by the people of the territories, which concern was also expressed by witnesses before the committee, that regard be had to the proposal that the water resources of the territories should be used first and foremost for the benefit of the residents of the territories and for the economic development of the territories.

In view of the jurisdictional authority that we have over the destiny of the residents of the territories, which is different from that which we have over those people dwelling within the boundaries of the provinces, it is important that we stress at this point the operations of the water boards in the two territories, to which the majority of appointments will be made by the federal government.

• (8:10 p.m.)

We should also stress the point with the federal government that what is done under this legislation and under the Canada Water Act should be done in a way which will not be detrimental to the long-range interests of the development of the territories. As one councillor of the Yukon Territorial Council emphasized, they do not want to be locked in now by action which would hamper their growth if and when, as they hope, they become a province some time in the future. I feel that this point is worthy of emphasis as we consider this bill at third reading stage. It was for that reason I thought I should make these few remarks and point out these facts to the chamber. It was something that was certainly in the minds of all members of the committee which considered this bill.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion?

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

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

The House resumed from Monday, April 27, consideration of the motion of Mr. Olson that Bill C-197, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in rising to speak on Bill C-197 I do not think that in my time in the House there has ever been a bill that will attack the economics of western Canada more than this particular bill.

Mr. Olson: Attack the problems.

Mr. Woolliams: The minister said "attack the problems". If he will listen to me for a few moments I am sure he will agree with me. I do not think there has been more dissatisfaction in western Canada under any government or under any minister whether it be the Minister of Agriculture (Mr. Olson) or the Minister without Portfolio (Mr. Lang) who looks after the Wheat Board.

At the outset I want to say that there are two kinds of boards. There are boards in which the producer has something to say and where the jurisdiction of the board is under the control of the producer. When the Canadian Wheat Board Act was established by R. B. Bennett in 1935, if one goes back in history he will find that the producers were represented on that board. But when we analyse the board that is being established by Bill C-197, we find the government and the cabinet of Canada is to be permitted to take over the full control of the marketing of all agricultural commodities by proclamation of the government. At the outset, in order to make my point quickly, I should like to say that this is the most dangerous, dictatorial, damaging and destructive piece of legislation ever brought in by any Minister of Agriculture or any government, and it is one which particularly attacks western Canada.

In western Canada, whether in an urban or rural area, the people have no hesitation in appreciating that agriculture in the province of Manitoba, the province of Saskatchewan and the province of Alberta is still the biggest industry of western Canada. That, of course,

does not detract from the petroleum industry. But agriculture is still the primary industry. If one examines closely the Canada Year Book he will find that in Ontario the gross national product is equal to that of any of the western provinces when one considers all the farm commodities marketed. The only exception perhaps would be in the few years when there were large sales of grain in Western Canada.

Let us take a look at what this bill really would do. First of all, our position as a party is that we were the party which in 1935 set up the Canadian Wheat Board. It was not a Wheat Board such as we have today, which is controlled by a group of employees of the cabinet. It was a board representative of the producers. The idea of the Canadian Wheat Board was that it would organize the sellers against the organized purchasers, because at that time grain was on the open grain exchange and was subject to fluctuation. In those days grain sold for as low as 20 cents a bushel.

The government of the day, led by the Prime Minister from my home city, brought in legislation known as the Canadian Wheat Board Act. At that time the Canadian Wheat Board was not a compulsory board. It was set up to market a certain percentage of grain and to protect the farmers. It had the support of the wheat pools and the farm organizations. When we look back in history we find that in 1935 the only people who did not support the legislation were the members of the Liberal Party. All one need do to establish this fact is to examine *Hansard* for that period.

Let us take a look at the present situation. What the government wants to do in Canada is take over the marketing, by proclamation, of all the products produced on the farm. Today I plead particularly for the cattlemen of western Canada. If I might use this phrase without being presumptuous, I would say God only knows, if the cattle markets get into the condition the wheat market is in under this government, what will be left of western Canada? The land will fall into the hands of the state, as promised by the Prime Minister (Mr. Trudeau) in the city of Weyburn during the last election.

Mr. Olson: That is not true.

Mr. Woolliams: We have heard a good deal of propaganda lately in respect of this compulsory board. Although it is under the jurisdiction of the Minister without Portfolio from Saskatchewan, nevertheless the Minister of Agriculture is on the hustings from time to time defending this particular policy. Not so long ago he sat to my left as a member of a right wing party. I am sure that if he were standing in my place tonight he would be attacking this kind of legislation which he is now trying to pilot through the House, because he would be against this dictatorialness.

Let us look at the Wheat Board. They talk about a world surplus. There is no real wheat surplus. There is a surplus in respect of buyers. Two-thirds of the world's people go to bed hungry every night. Yet we have what we call the LIFT program. All it will ever lift when this plan begins to operate will be the top six inches of soil of the summerfallow of the Prairies. Let us look at what is said about the surplus and what is to be done. They will appoint the civil servants and bureaucrats, they will make the proclamation and then they will take over the control of cattle, hogs and other farm products.

I have read the terms and conditions of this bill. The minister had better go back to his legal officers to find out what it says. Let us look at what this set-up would do. I have before me the latest report prepared by S. C. Hudson for the Economic Council of Canada. This is what it says:

> Canada's wheat export position has deteriorated—

It does not say there is a surplus.

> —from a 24 per cent share of the 54 million ton average wheat marketings for the 1962/66 period to a 19 per cent share of 45 million tons marketed in 1968. An examination of Canada's competitive position in 23 countries or groups of associated countries, which in 1967 accounted for more than 80 per cent of the total world imports of wheat and provided more than 80 per cent of Canada's export wheat market, indicates that Canada's share has been declining in most markets.

• (8:20 p.m.)

What has really happened is that we cattlemen in Alberta do not want the government getting into the cattle business. I say now to the Liberal government, and particularly to the Minister of Agriculture who comes from Medicine Hat, one of the great ranch areas of western Canada, that I am sure the ranchers in his constituency and the ranchers in Alberta will tell him and his government to keep their hands off cattle. They do not want the government interfering in the cattle industry.

Mr. Olson: No one intends to.

Mr. Woolliams: Let me tell the minister that under this bill he will have the power to

do so, and so will the cabinet. Maybe he is one of the silent men in his cabinet. In fact, I may say that he was a very strong man when he was in the opposition but he has proven to be a very weak minister because he has no say in the cabinet whatsoever, and he knows he has not.

An hon. Member: So true.

Mr. Corbin: You are saying that because you are jealous.

Mr. Woolliams: I am not jealous. I would rather stand here with my principles than sit over there without them.

Some hon. Members: Oh, oh!

Mr. Woolliams: I was about to say that in the last two years Canada has moved from being the first exporting nation of wheat in the world down to sixth place. The minister, who is an intelligent man, knows this. He knows that if we had held our first place as an exporting nation, the western farmers today would not be in the mess which was described so well this week in the *Globe and Mail*. Even they have caught up after two years and realize that the situation is serious in the west. All you have to do is to walk down the streets of Regina. I have not seen anything like it since the 1930's. There is a depression there. We have been talking about inflation in this House, but there is a real recession in western Canada in most major centres as well as in the towns and on the farms, and the minister knows it.

I say to him that with a compulsory board which controls wheat marketing—I will say something about that in a few moments—those salaried people have made a mess in the grain exporting business, which has been intensified by the fact that the Minister of Labour (Mr. Mackasey) would not make any move with regard to strikes in Vancouver while we were losing our markets throughout the world, particularly in Japan, and not upholding our agreements such as the export agreement we had with Russia. The minister knows it and I know it. This is an indictment of the government and an accusation that I make against the government. It is true, and the minister cannot deny it. There is no defence to it.

Mr. Corbin: It is easy to make.

Mr. Woolliams: This may be, but it is easy for the hon. member to sit in his seat. I do not see him standing on his feet and saying anything intelligent in the House.

Mr. Corbin: You are wrong. You are never in the House to listen to my speeches.

Mr. Woolliams: Let the hon. member listen tonight and he will learn something. I thought that was the member that fell out with the government today, but I may have made a mistake. I continue reading:

> An analysis of observations relating to the competitive position of Canadian wheat in each of 23 selected wheat markets suggests a variety of causes for the deterioration in Canada's share of export markets. These include a lack of uniformity in the protein content of Canadian wheat shipments;

For the last two years this party has continually told the government that one of our export problems is the protein quantity of our wheat in reference to changing the kind of grading. Nothing was done about that situation up to this session.

Let me go on with this quotation. It then reads:

> a lack of flexibility in pricing associated with selling—

What did this government do through the compulsory board? If they make the same mess of the cattle and hogs business, if they put it under this dictatorial act, they will lose markets for the cattle of Canada as effectively as they have lost wheat markets. Let them not deny it because that is a fact.

Mr. Olson: Would the hon. member permit a question?

Mr. Woolliams: The minister can ask his question when I am finished. I only have a few moments to get something on the record. I will be prepared to answer the minister's questions any time afterwards. What about flexibility in pricing? While all the exporting wheat nations of the world were cutting their price contrary to the international wheat agreement, Canada sat around doing nothing. I agree that this was long before the minister held his position, but the fact is that Canada sat around and did nothing. Finally, the government and the Wheat Board woke up; the men on salary woke up. It does not matter to them how much wheat they sell, they still get their money. They are not on commission and they do not get an extra amount of money for getting off their posteriors and getting some business.

The selling price beat us. The United States was dumping wheat in Japan and all the other markets of the world, and what did the Liberals say? Their public relations men tell the western producers and a few people here

and there in western Canada, "We cannot help it; we have a surplus". They cannot explain the fact that the United States and other exporting nations dumped wheat in our world markets at a price far below the international wheat agreement, while we sat around for a year and a half with labour troubles which did everything to destroy the economy of our western agriculture. I agree with what Senator Cameron said, that if there were an election tomorrow or even after tomorrow there would not be one Liberal elected west of the Great Lakes. He happens to be a Liberal appointment, for the information of my good friends.

Let me go on with the quotation as follows:

> a lack of flexibility in pricing associated with selling on an f.o.b. basis at "one price to all customers"; insufficient effective market development work—

The Economic Council of Canada says that what has been done by the Canadian Wheat Board has failed. On close examination one finds that they are not doing their job. In the face of that evidence this government has the audacity to bring in Bill C-197, to which I will refer in a few moments, under which the marketing of cattle and hogs will be taken over not only in western Canada but throughout the country as wheat is controlled by the Wheat Board.

Let us pause here for a few moments to consider the cattle industry. I should like to read from the Canada Year Book. I know that the Liberals are even capable of changing that when it does not agree with their view, as they did during the last constitutional crisis. I can understand why the Minister of Agriculture would question even the facts contained in the Canada Year Book.

Mr. Olson: All I said was I think it would be a good idea to pause now.

Mr. Woolliams: Let us look at what kind of business we are talking about. We are not talking about peanuts, as the Prime Minister called it the other day. The number of beef cattle exported to the United States in 1962 amounted to 128,524. But on the farms in that year in Canada—this is the latest figure—there were 12,781,000 cattle and calves.

Let us take a look at Saskatchewan to see why the ranchmen want the government to keep their hands off their business. It is bad enough for the government to get into their business through the white paper, but let them stay out of marketing: that is our message to the government. In Saskatchewan there are on the farms right now 1,596,000 beef cattle and 272,000 milk cattle. In Alberta we have 2,167,000 beef cattle and 282,000 milk cattle. On the farms in the whole of Canada today there are approximately 13 million head of cattle. That is not peanuts. That is a multi-million dollar industry, yet this government wants to appoint a bunch of Grit bureaucrats to take over the control of marketing and to lose it as effectively as they have in respect of wheat.

Let us take a look at what this bill has to say. First of all, the board which the government wants to set up will be absolutely compulsory. They set up a special council and say, "You may have hearings". But who appoints the members of the council? The government does. The council then makes certain recommendations to the minister, or the minister makes certain recommendations to the council. You can rest assured that, as with any other board whether it is the board of control for television or Information Canada, a bunch of Grits will be appointed. There is no question about that. I say, first of all, that this board will put all the ranchers and all the farmers out of business. They lost the grain trade because they were operating a paralysed Wheat Board and did nothing to assist the board. Now they will lose the cattle market and the hog market.

• (3:30 p.m.)

What is this dictatorial monstrosity? That is the question I ask this House tonight. It is a compulsory board. I have read this bill and I understand it thoroughly. Once we have passed Bill C-197 it will be a compulsory board; there is no question about that. I can tell the minister that the ranchers in Alberta do not want a board, voluntary or compulsory, but even if they did want a board surely it should be a board formed by producers who know the cattle business. Some of the men the government presently has looking after wheat do not know the difference between wheat, barley and oats. I am sure the same will apply with regard to the hog and cattle industries. If there is any question about that, I would ask the minister to turn to page 4 of the bill where it says:

> There shall be a council to be known as the National Farm Products Marketing Council consisting of not less than three and not more than nine members—

Who will appoint the council? The Governor in Council. Who is the Governor in Coun-

cil? The cabinet. The cabinet will appoint Grits. Then the bill says:

> If a member of the council, other than the chairman, is absent or unable to act, the Governor in Council may appoint a temporary substitute member.

Then the bill talks about hearings. The only hearings the farmers will get will be if the minister in his graciousness permits them to have a hearing.

Some hon. Members: No.

Mr. Woolliams: That is exactly what will happen. This board will advise the minister, or the minister will advise the board. If the minister decides tomorrow morning to take over the cattle industry of Alberta and Saskatchewan, which I call a multi-million dollar industry—it is worth at least $600 million in Alberta alone—and the marketing of cattle or any other commodity that is known as farm produce, he will be able to do it without a plebiscite from the people and without the consent of the producers.

Then the bill says that the board may consult with the producers. Isn't that very gracious of the government? Members of the government say, "We will consult if we feel like it." We know the kind of government we are getting now. They do not consult with the people. This measure will be rammed through the House, rammed through a sham committee and passed, and then the minister and the Minister without Portfolio who is looking after the grain trade will be able to take over the marketing of cattle. That is the only farm life left in the economics of western Canada, otherwise it will become a dust bowl created by the LIFT program when the winds blow in May and June.

Of course, the minister says that all this is not compulsory. He shakes his head. I have read this bill and I am glad to see he is starting to read it now, because he is getting some bad advice. In connection with public hearings the bill says:

> A public hearing shall be held by the council
> (a) in connection with an inquiry into the merits of establishing an agency or of broadening the authority of an existing agency to cover an additional farm product or farm products;
> (b) where the council has under review a proposed marketing plan; and
> (c) in connection with any other matter relating to its objects if the Governor in Council or the minister directs the council to hold a public hearing in connection with such matter.

That is what it really means. You know, they are so gracious to the producer. They say, "We are not going to be that autocratic. We don't want to be that dictatorial. If we sit down in the cabinet chamber we might call the producers together." I know a lot of boards. I have appeared before many boards and I know many have made their decisions before a lot of the evidence hits the council table. Some of the royal commission inquiries operate like that. The report of the Le Dain Commission is not before the public right now because certain cabinet ministers know they are playing with political dynamite.

The same kind of hearing will be given the agricultural producers. In fact, the Minister of Agriculture might even hold a few sham hearings out in Medicine Hat, but after listening to the farmers he will come back here and do what he wants anyway. If this is not dictatorship, taking over the markets of western Canada, I do not know what is. This is a fight to the finish so far as western Canada is concerned. If the Minister of Agriculture does not resign when he hits the cabinet with this bill without it being amended, I will be surprised because at one time he was one of the best orators, one of the best thinkers, one of the best fighters for western Canada. Where has his soul gone now? He must be thinking of that poem "Just for a pot of gold."

Let us see what else they have the power to do. Not only do they set up a compulsory board under this legislation but they appoint all the people to that board, and they will be Liberals. They say the farmers will be heard, but they will have power as to whether evidence will be admissible or not. Then they can make Orders in Council as to rules and regulations. This bill is like the BNA Act or the constitution of any country giving more power to a cabinet that loves power. They say they are pragmatists. That is one thing the Prime Minister said. He said, "I am a pragmatist. I promised nothing." He delivered nothing, Mr. Speaker. The bill also provides for the making of Orders in Council. Where are Orders in Council passed? In the secret chambers of cabinet where privy councillors are sworn not to tell what goes on behind closed doors.

Mr. Bell: Except Judy LaMarsh.

Mr. Woolliams: You are absolutely right; Judy made her confession. That is the kind of deal the producer is getting in this bill. Having read the bill, I could not sit in my place any longer without opening up and letting the public know. I hope the newspapers and Information Canada will tell what is going on here.

An hon. Member: They won't.

Mr. Olson: They will, but they will get it right.

Mr. Woolliams: Then let me tell you what will happen after you have the council appointed. You have the orders made which give the government more power. What will happen then? Then without the knowledge of Parliament you could make a proclamation saying, "All the cattle, all the hogs of Canada, all the poultry of Canada, all the eggs of Canada, all the soybeans of Canada, all the corn Canada produces are now under this very free-minded Liberal board." That is what is inside this bill. The minister looks sad. He should feel sad, as a Minister of Agriculture from western Canada.

Mr. Olson: I am sad at your misinterpretation.

Mr. Woolliams: The minister should feel sad, remembering what he stood for when he was a member of the Social Credit Party. He must remember that Mr. Aberhart told certain governments to keep their hands off business. So did Premier Manning. Now the Minister of Agriculture endorses this Liberal, dictatorial pragmatism that treats the farmers just like Stalin did the Kulaks when he made them all serfs. *Time* magazine, which has some sort of charisma with the government, may say this is extreme language. It has to be extreme language, Mr. Speaker, because this is an extreme bill. It is time the farmers and producers of Canada knew what is going on.

Western ranchers came down here at one time and gave a beef supper for Senators and Members of Parliament. What did the head of the rancher's association say at that time? "We ask the government only one favour—keep your hands out of our business." That is what the rancher wants today. That is what the Ontario cattle producer wants. If there is to be a board to provide guidance in the marketing of these commodities, it should be a producers' board, elected by the producers, who should have the say.

• (8:40 p.m.)

When the Conservatives set up the Canadian Wheat Board it was a voluntary producer board. It now pays its members their salaries no matter whether they sell wheat or not, no matter whether they sell 100 million or 200 million bushels.

An hon. Member: What will be the salaries of members of this board?

[Mr. Woolliams.]

Mr. Woolliams: Someone wants to know what the salaries will be. I cannot quote figures, but I know the salaries are almost equal to those paid to cabinet members. When this act is proclaimed and the board controls marketing, Parliament will be bypassed, democracy emasculated, the producer emasculated and Parliament itself emasculated. That is what this bill will do.

Another question is, who will appoint the board? It will be the Governor in Council. We know how the government works. If they are to appoint 18 or 19 people to position, they will appoint one non-political person so that it does not look as if the appointments are political. The minister knows they will mostly be Liberal appointments and this government will act under the same kind of motivation as when the Prime Minister set up the board that deals with television. You will see the same kind of philosophy and intellectual motivation at work in the setting up of the board that will govern the hog producers.

An hon. Member: That is Canadian Socialism.

Mr. Woolliams: Someone calls that Canadian Socialism. Well, I believe a certain kind of Socialism at least would give the farmers a chance. Let us look at some of the other things that can be done under the act. The cabinet can enter into any agreement with any province or any importing nation without bringing the agreement before Parliament for approval. That means that this executive, this all-powerful cabinet which is not present tonight in the House can make any agreement it wishes with any nation. I hope the minister remembers the British wheat agreement, because that sold the farmers short and cost the western farmers a great deal of money. I have read one of his earlier speeches in which he said that it cost the western farmers $600 million in one year. But at least that agreement came before Parliament. I have researched this matter in *Hansard*. But under this legislation the government will take no chances. It never misses a trick.

Mr. Gibson: Will the hon. member permit a question?

Mr. Woolliams: No, I will not. I wish that law student would be quiet and go to his library and do his own work. What I am saying is that this government, this executive, can now make any agreement it wishes without bringing the matter to Parliament and without giving Parliament a chance to suggest

changes in the agreement. Under the new rules this procedure is very dangerous. But this is spelled out. I ask anyone to check page 17 of the bill and you will see that power referred to.

The minister sits there today but, as Tennyson said, men may come and men may go. If the minister disagrees with the Prime Minister, he may be elevated to the other place as some others have been and another all-powerful minister using this type of dictatorship may sign agreements which may not be in the interest of the producer or the country.

Mr. Gibson: Why would they not be?

An hon. Member: Be quiet.

Mr. Gibson: Why not? There is no reason for saying that.

Mr. Woolliams: Also, the provisions of the Combines Investigation Act shall not apply to this act. It is all right for the government to set up a powerful monopoly, but of course it is wrong for private enterprise to set up any monopoly or get into that kind of hanky-panky. Since the provisions of the Combines Investigation Act are not to apply, I say to the consumers of Canada that this bill will help neither them nor the producers. The price of beef, pork and farm products will be determined at the farm. If that is not dictatorial, if this little Bill C-197, which is not too thick, does not confer dictatorial powers, I do not know what does. Apparently it is all right for the government to have a monopoly, but not for free enterprise.

What happens if you disobey? I can see why they are building a new penitentiary in British Columbia. We have one at Drumheller, and I think I can take a little credit for what has happened there. But, Mr. Speaker, if the farmer contravenes the provisions of this act he will spend two years away from the cows and the land. That is the kind of bill we have before the House. That is dictatorship, as I see it. I submit it will put farmers out of business.

We lost a good deal of the grain trade because the board charged with responsibility was paralysed. It did not represent farmers and had no incentive for doing anything. This bill will create a board more powerful than the Canadian Wheat Board. Frankly, the basis for passing certain regulations controlling the Canadian Wheat Board has always been beyond my comprehension. You cannot sell Saskatchewan wheat to Alberta, or Alberta wheat to British Columbia. We know that you cannot even have a chicken ranch in British Columbia and from the land you own in Manitoba ship wheat to feed the turkeys and chickens. The new board will have similar powers affecting every commodity produced on the farm in Canada. If the white paper does not break the farmers, this bill will.

Some hon. Members: Hear, hear!

Mr. Woolliams: I have listened to the Minister of Agriculture. He talks about diversification, yet no one will have the right to elect to diversify. Every farmer will be told by this all-powerful board what to produce and, finally, west of the Great Lakes and even in some places in western Ontario we shall see state farms, because that is what we are coming to. That is really the purpose of the bill, and the minister cannot deny it.

Mr. Olson: Just give me a chance.

Mr. Woolliams: I am prepared to go before the committee and call witnesses.

Mr. Olson: Just give me a chance.

Mr. Woolliams: I tried to do this sort of thing before the Standing Committee on Justice and Legal Affairs when the hate literature bill was being considered. The members there said, "You can have one witness, Eldon. We want to pacify you, but we want to rush this through." Well, we are rushing into a great dictatorship. That is what we are doing here.

Some hon. Members: Hear, hear!

Mr. Woolliams: That is the kind of government we have. I say, let us save the farmers. Let us take a look at some recommendations contained in "Future Market Outlets for Canadian Wheat and Other Grains". These show some of the things the government could have done to help the wheat trade. The first I refer to is:

> To improve the effective competition of Canadian wheat in existing markets, action is urgently required on many fronts. Such action includes:
>
> (a) Amendment of Canada's wheat grading system to include protein and other technical criteria associated with baking quality in order to maximize the competitiveness of Canadian wheat from a quality standpoint—

The second recommendation is in part:

> (b) Implementation of the findings of current studies of the transportation, storage and handling of grains—

The hon. member for Vegreville (Mr. Mazankowski) put a question on the Order

Paper. It was not given much publicity, but what did it ask? It asked how many elevators in Saskatchewan have no elevator agent. The answer was 99. Also, how many elevators in Alberta have no elevator agent? The answer was 71. I forget the number without agents in Manitoba, but it was a like number. Why have they no elevator agents? I will tell you. If you own an elevator in western Canada, you own a gold mine: you get a cent per month per bushel for storage and for the handling charges, according to the economic experts, the elevator should receive up to 24 cents a bushel per year.

Now the government lets the wheat stay there for five years, pays the elevator owners and tells the farmers, "We cannot do anything for you." Do you want to do that with hogs? After all, when hogs reach 200 pounds they must move from the farm to market if they are to be competitive and sell at a proper price. And so it is with cattle. You cannot store cattle or hogs in bins for five years; they get pretty smelly in time. That is something the minister has not taken into consideration in this bill.

• (8:50 p.m.)

The next recommendation is:

Immediate arrangements for a study of Canadian wheat pricing to be made by an outstanding, unbiased, international authority on the subject, as a basis for future policy decisions—

I agree with the hon. member for Saskatoon-Biggar (Mr. Gleave) who talked about the funny little statement made by the Minister without Portfolio. I do not think the minister would have given a lecture like that when he was dean of the law school. There are 44 exporting and importing countries. Canada should take the initiative. We were the first of the wheat exporting nations in the world. We are now sixth. Ask the Minister of Agriculture how we got in that position. Don't blame the lost of market for the surplus. Blame the government and the cabinet for their inaction and lack of leadership. The ministers will not come into the House for the question period. When they are in the House, they make jokes. In answer to a serious question on unemployment, the Prime Minister asked somebody if he was still beating his wife! It is recorded in *Hansard*. That is the frivolous kind of nonsense the opposition has to put up with.

Some hon. Members: Hear, hear!

[Mr. Woolliams.]

Mr. Woolliams: The next recommendation is:

Provision for a greatly expanded market research and development program.

Let us pay people a commission for selling wheat. When you hand out a few dollars you get some action. I am a free enterpriser. I find there are a few in the Liberal ranks, when I have coffee with them—but not when they are voting in the House. The answer is, give somebody a buck and they will sell our wheat. If the government would get off its so-and-so it would sell wheat and we would not have the trouble we now have.

The farmers do not want a handout. They are independent. What's $100 million? This program will not apply to 50 per cent of the farmers in southern Saskatchewan and Alberta. In this wheat belt 50 per cent of the wheat is grown. How do you diversify in the gumbo area of Regina? The minister knows about that. As soon as it rains, the cattle will be over their hocks in mud you cannot diversify. The government wants to set up a board similar to the Wheat Board to market every other commodity. No wonder I stand in my place and speak as sharply and as firmly as I do. Somebody must.

The Acting Speaker (Mr. Béchard): Order, please. I regret I have to interrupt the hon. member, but his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

The Acting Speaker (Mr. Béchard): There is no unanimous consent. The hon. member for Portneuf (Mr. Godin).

Mr. Hogarth: I rise on a point of order, Mr. Speaker. I offer my consent to the hon. member continuing, solely to see how much more bull he can get into his speech about cows!

Some hon. Members: Oh, oh!

Mr. Woolliams: That was a very rude remark by the member. I will let it rest there. I thought he had more dignity, but maybe the dignity came out of something else. I will not go into that.

The Acting Speaker (Mr. Béchard): The hon. member for Portneuf.

Mr. Woolliams: Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order, please. The Chair has recognized the hon. member for Portneuf.

Mr. Woolliams: Just a minute. On a point of order—

The Acting Speaker (Mr. Béchard): Order, please. There was no unanimous consent.

Mr. Woolliams: I ask that Your Honour put that question again. The member made a facetious remark. As far as I understand it, there is consent. I have only one other recommendation to make. I felt that consent was given. I ask Your Honour, in your usual non-prejudiced manner, to put the question again to the House.

The Acting Speaker (Mr. Béchard): I am sorry, but I heard no unanimous consent. Does the House give its consent to the hon. member?

Some hon. Members: Agreed.

An hon. Member: No.

The Acting Speaker (Mr. Béchard): There is no unanimous consent. The hon. member for Portneuf.

An hon. Member: Who said no?

The Acting Speaker (Mr. Béchard): Order. There is no unanimous consent.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I am pleased to make a few comments after what the previous speaker has just said. His observations were quite relevant and I intend to support the position he will take as regards the legislation now before us. Bill C-197, entitled "An Act to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products", will merely create a new body to enable the government to find well-paid jobs for friends of the party.

I have serious doubts about the effectiveness of this legislation because we already have the Canadian Wheat Board whose responsibilities are becoming less and less important as sales are down throughout the world. Ever fewer sales, but still the same, well-paid staff. There are no lay-offs at the Canadian Wheat Board, nor any fight against inflation. The report of the Board shows that the wages of its staff are always increasing.

A few years ago, in the spring of 1967, the Canadian Livestock Feed Board was established. After three years of operation, we realize that Quebec farmers and millers must pay $1.06 or $1.07 per bushel for barley, while it can be bought at 76 and 78 cents per bushel on world markets.

In spite of those famous boards, we are still facing obvious injustices. We witnessed the creation of the Department of Consumer and Corporate Affairs which, so far, has not brought any results. This situation exists because the Minister of Consumer and Corporate Affairs must accomplish dual functions, which creates a conflict right from the beginning. How can he approve and disapprove something at the same time? Can a department make a stand against the speculator and encourage the consumer at the same time? Can one encourage the consumer while protecting speculators? This is utterly ridiculous and in the light of the bill now under consideration, we realize that this is going to be done.

Indeed, clause 6(2)(b) reads as follows:

(b) have regard to the interests of consumers of farm products and of those engaged in the marketing thereof as well as to the interests of producers of farm products.

Mr. Speaker, this is utterly ridiculous. Can a lawyer speak for the plaintiff and the accused at the same time? This is inconceivable!

• (9:00 p.m.)

Until now consumers have never asked for protection. In Portneuf riding as elsewhere in Quebec consumers are not at all afraid of the farmers because the latter are not evil-doers but mere producers. The enormous quantity of products accumulated in warehouses and stores creates a surplus problem for the government but shows that the farmer has fulfilled his task well.

What consumers want is simply more purchasing power. All things considered, with a little money in your pocket, you can get anything you want. You buy what you want, both from the standpoint of quality and quantity, when and where you want it.

Clause 6 (2) of the bill states, and I quote:

In carrying out its duties the Council shall (a) consult, on a continuing basis, with the governments of all provinces having an interest in the establishment or the exercise of the powers of any one or more agencies under this act or with any body or bodies established by the government of any province to exercise powers similar to those of the Council in relation to intraprovincial trade in farm products;

When has the federal government taken into account the decisions or the representations of a province? What rulings have been made following investigations conducted throughout Canada since 1950? Was the inquiry made by hon. members and senators throughout the country and on which the joint committee reported in 1967 followed up? We are still waiting for the decisions which should have been made after this famous report.

We are also waiting for the report of the Committee on Agriculture, which toured the country last year, including Toronto and eastern Canada, going through Quebec in order to meet representatives from the CFU, the Coopérative fédérée and milk producers.

We all know that this famous report has been tabled, but we are still looking for it in the Clerk's desk because we think that the report was actually hidden so that we could not speak about it for the time being.

The protection granted during the past years has simply been reduced. You will remember that the government paid rather important subsidies. You will recall also that the CFU and all the organizations of this sort in eastern Canada asked not only that these subsidies should still be granted, but that they should be increased according to the rise in the cost of living, that is to say by 5 or 6 per cent each year. However, these recommandations were simply ignored. The decision of a few persons was abided by and the dairy producers of the province of Quebec were penalized by 8 per cent if one takes into account the money they have lost. However, the associations made these recommendations quite voluntarily. It is probably for this reason they have not been considered.

Today, we are getting ready to establish another board, another council to which will assuredly be appointed the party's friends, some of them have perhaps failed under the present economic system while others could hardly earn their own living otherwise, but they will get salaries of around $20,000 or $25,000 a year. This will be an excellent muzzle which will keep them from recommending whatever farmers demand and refrain from making public the objectives already decided upon by another team. This is most unfortunate. I was not wrong when I said it, because if one considers the present situation, one realizes what is happening in Canada today.

[Mr. Godin.]

Bill C-197 is a piece of legislation which simply makes agriculture dependent on the State.

In clause 3, for instance, we see that the chairman and the vice-chairman of the National Farm Products Marketing Council are appointed by the Governor in Council.

Clause 5 provides that members of the Council become public servants.

The purpose of the act, as defined in clause 6, is to maintain and promote an efficient and competitive agriculture industry. We can therefore guess right away that this just means that small farms will disappear.

From a political viewpoint, this would be tremendous, because the government is playing a winning game since at present 92 per cent of Canadian voters are non-farmers. The government listens to the urban population and will be able to handle the farmers at will.

Clause 6(2)(b) makes it clear that it is intended to protect both the consumers and the producers and with only 8 per cent of the population engaged in agriculture, the workers will be the winners. I am not against the workers but the figures are there, Mr. Speaker.

Let us see now what are the Council's powers. Under clause 7(a)(i)(ii) and (iii), the Council may require any person engaged in production or marketing to register with an agency and to maintain books and records in such form as it may require.

As indicated in clause 18 (2), the Governor in Council may designate the new products which will be regulated anywhere in Canada.

The objects and powers of the agencies are to promote a strong, efficient and competitive industry. An agency may purchase, package, process, store, export and sell any product as indicated in clause 23.

As far as arrangements with the provinces are concerned a federal agency may perform on behalf of a province any function relating to intraprovincial trade on any regulated product. It may also grant to a provincial body powers of regulation in relation to the marketing within the province.

The powers of the inspectors are described in clause 34 which indicates that the inspectors may enter any place if they are convinced there is any regulated product or a product intended to be marketed in interprovincial or export trade and may examine the records or other documents in such place.

I shall now deal with penalties. I refer to clauses 36 and 37. With respect to failure to

comply with a requirement of the Council, this is what we read, and I quote:

—is guilty of
(a) an indictable offence and is liable to imprisonment for a term not exceeding two years, or
(b) an offence punishable on summary conviction.

We are therefore making arrangements to jail farmers. It is obvious that if they are put in prison they will not be able to produce. We will then be able to cut down surpluses.

Penalties have already been imposed. All farmers are not in jail, but we have reached a point where the situation is deteriorating, and I wonder whether many of them would not be more in security behind bars.

I am very sorry that the milk production problem was not dealt with before introducing Bill C-197. I regret that this bill was introduced by the Minister of Agriculture (Mr. Olson). In the final analysis, we know that when the worker has problems he goes to his fellow-worker to negotiate his working conditions. If the union leader has some competence, negotiations will be fruitful. When a student has problems, he goes to his professors or to counselors who help him.

When we have health problems, we go to a doctor. If he says he is unable to help us, he then sends us to a specialist.

• (9:10 p.m.)

Unfortunately, the officials of the federal Department of Agriculture have proved their ineffectiveness, and consequently we are always up against the same so-called "champs", so-called "know-it-all", even though they know nothing.

We know the Minister of Agriculture operates a farm and that he does not go in for dairy farming although he has a 500-cow herd. Thanks to his herd, and nature, the Minister sells 400 to 500 calves every year. And so, he owns calving cows.

Today, if we are facing a serious problem, it is in the dairy farming industry. It is obvious that the minister is beyond his depth.

In spite of everything, we still expect him to introduce a beneficial policy, but because of his ignorance, he must appeal to the hon. member for Richelieu (Mr. Côté) who is quite pleased to make his remarks. It is common knowledge the minister and his parliamentary secretary merely keep floundering along. Moreover, it must be remembered that the hon. member for Richelieu hastened to sell his cows three weeks after his election and it can be inferred therefore that dairy farming was more or less important to him. It is unfortunate that the farmer who is now directing the government's dairy policy has found no other way of showing his knowledge than to sell his cows.

Perhaps he found out that having one in Parliament is as profitable as 25 in the cowshed. At any rate, it is remembered that the hon. member for Richelieu, who is messing about with the dairy policy now, was not even a dairy farmer but a cattle farmer and dealer, and especially a good dealer.

One can remember also that he was part of the gimmick, that he could export all his cattle to Mexico, Spain and South America. All that to say that while the hon. member for Richelieu is still spluttering in English, it could be that the last calves he sold can speak Spanish fluently.

Mr. Speaker, I say once more that dairy farming was of little importance to that ex-farmer and I am convinced he would sell his wife to save the Liberal government's dairy policy.

The Minister of Agriculture announces a $10 million reduction for the Quebec farmers. He cannot indeed be commended for that. The costs of exports have gone from 26 cents in 1968 to 51 cents in 1969. It can be recalled that the farmers of the province of Quebec, and more particularly those of the eastern part of that province, have been imposed quotas in 1967. In fact, at that time, owing to the bad weather, crops had not been good. Milk production had suffered from it. That opportunity was taken to set production quotas. It is surely a good deal for the government, but I am not prepared to admit that it is honest. The hon. member for Richelieu does not object to that.

If a farmer—

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, on a point of order.

[*English*]

Mr. Deputy Speaker: Order. The hon. member is rising on a point of order.

[*Translation*]

Mr. Côté (Richelieu): Would the hon. member for Frontenac—

An hon. Member: —for Portneuf.

Mr. Côté (Richelieu): —for Portneuf (Mr. Godin) allow me simply to explain what happened at the Committee on Agriculture when two of his Créditiste colleagues were there

and the committee report was unanimously approved? If he agrees, I shall read him the minutes of the proceedings of the committee. He knows nothing about agriculture and was not on the committee. He could—

[*English*]

Mr. Deputy Speaker: Order, please. The hon. member might like to do that when he speaks in the debate, but I hardly think that is a point of order.

[*Translation*]

Mr. Godin: Mr. Speaker, I am the eldest of a family of ten children and my father was a farmer. I, myself, was a farmer for many years before I became a co-operative manager. As for the famous Committee on Agriculture, I do not want the hon. member for Richelieu to call to witness my friends of the Ralliement Créditiste in this matter. He knows very well that each time amendments were moved by members of the Ralliement Créditiste, they were defeated when put to a vote. The report of the Committee on Agriculture is not unanimous and I should not want anyone to cite it as an example.

I continue, Mr. Speaker.

Incidentally, it is always the same thing over and over again. Every time someone—

[*English*]

Mr. Deputy Speaker: Order. The hon. member for Trois-Rivières (Mr. Mongrain) on a question of privilege.

Mr. Mongrain: Mr. Speaker, I am a little mixed up. I listened to what my colleague said, which was that the report had been voted on unanimously, but the hon. member now tells me it was not voted on unanimously.

[*Translation*]

Mr. Speaker, since my hon. friend of the Ralliement Crédististe does not understand English—because he never did go to the trouble of learning it—I shall reply in French, if I may.

As a rule, I abide by the Standing Orders which stipulate that a member must accept the word of another member in the House.

My colleague from Richelieu (Mr. Côté) has just told me that the third item of the Agriculture Committee report was unanimously adopted, but the member for Portneuf claims it was not. I should like to know who is right, because I feel I am entitled to know as a member.

[Mr. Côté (Richelieu).]

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on a question of privilege.

I consider that the hon. member for Trois-Rivières (Mr. Mongrain) has deliberately and voluntarily misled the House a moment ago when he said that I refused to learn English. That is absolutely untrue!

Mr. Mongrain: Mr. Speaker, I rise on another question of privilege. I never said anything of the sort.

[*English*]

Mr. Deputy Speaker: Order, please. Would the hon. member resume his seat. There is no question of privilege before the House. There is a debate before the chamber, and I suggest that we allow the hon. member for Portneuf to continue.

[*Translation*]

Mr. Mongrain: Mr. Speaker, I rise on a question of privilege.

Mr. Fortin: I too rise on a question of privilege, Mr. Speaker.

[*English*]

Mr. Deputy Speaker: Order, please. I can hear only one question of privilege at a time. I will hear the hon. member for Trois-Rivières.

[*Translation*]

Mr. Mongrain: Mr. Speaker, I have always thought that every member had a right to know the truth.

Two honorable members are therefore contradicting each another. I would like to hear the official version of the chairman of the Committee on Agriculture, for example, to see who is right.

Has that section been unanimously passed? It seems to me that it is my privilege to know. I will have to vote Mr. Speaker, so I would like to know the truth.

Mr. Fortin: I rise on a question of privilege, Mr. Speaker.

[*English*]

Mr. Deputy Speaker: Order, please. I suggest to the hon. member that he consult the record on this matter. This is hardly a question of privilege; it is a matter of debate. The hon. member has the right to consult the record to determine who is right. It is hardly an unusual feature of this House to have two points of view which are different.

[*Translation*]

Mr. Fortin: I rise on a question of privilege, Mr. Speaker. I was coming to it when I was interrupted a moment ago.

Mr. Speaker, when the members opposite say that the Creditiste members in committee and elsewhere were favorable to the government's dairy policy, with all due respect I must say that they deliberately mislead the House. We were opposed to that policy to such an extent that we were not afraid to attend the farmers' demonstration in Sherbrooke, where no federal Liberal member was present, not even the Parliamentary Secretary to the Minister of Agriculture (Mr. Côté), and this because they had cold feet.

[*English*]

Mr. Deputy Speaker: Order, please. Again, that is hardly a question of privilege. If we are going to get into this sort of argument, it seems to me that the Chair has only one course to take and that is to insist that hon. members stick strictly to the motion before the House. I have been exercising a certain amount of leniency in allowing the hon. member for Portneuf to go slightly beyond a strict interpretation of the motion, but if as a result of that leniency we are going to get into this sort of argument I shall have to apply the rules of relevancy more strictly than I have hitherto. I suggest we allow the hon. member for Portneuf to conclude his remarks, and if other hon. members want to contribute to the debate they are free to do so.

[*Translation*]

Mr. Godin: Mr. Speaker, I agree with you. There was perhaps no question of privilege. However, that has allowed me to throw some light on something that was becoming obscure.

This has happened before. The notorious report was adopted on division. One day, the meeting was held in camera. So one cannot say just about anything on the matter, since the meeting was held behind closed doors. Nothing is known about it.

• (9:20 p.m.)

If the hon. member for Richelieu meets a farmer who explains his dissatisfaction to him, the hon. member says piously: Think of the circumstances, you do not understand what is going on in Canada. The whole province fails to understand the problem. Right now, he is the only one who understands anything, Mr. Speaker. I regret that he is the only one at the present time to advise the government in matters pertaining to the dairy policy when we know that this question has always more or less concerned him.

An hon. Member: That is right.

Mr. Godin: We recall that in 1968 there were quite similar problems. In fact, the then Parliamentary Secretary said that there was a very simple reason for it: all the difficulties were the result of a minority administration. Therefore, a majority government had to be elected.

With its majority what is the government waiting for to prove itself? Up to now attempts have been made to keep the farmer informed through speeches. He has been begged to keep on working his farm and today we realize that if he ever was the king of the land he has not been for a very long time. The Canadian farmer was king but that time is past because the policy of the government aims only at taking hold of all that the others own.

Mr. Rondeau: This is socialism!

Mr. Godin: From the economic point of view, the farmer is in a clearly inferior position to that of other workers. He is very poor compared to other professionals. In order to obtain a better yield, he had to improve his production and cattle breeding methods. To produce more rapidly, he mechanized his equipment. To meet the demand for quality products, he bought modern machinery at a cost of thousands of dollars.

In spite of his efforts, he cannot become prosperous because he is caught between his cost price and the price he has to accept for his products. The price of food is not settled automatically. One must recognize that he is in a very sorry plight indeed because his products are perishable. It is not a question of holding up deliveries, specially milk deliveries. It is also impossible to stock it. Therefore, the producer takes what is given to him, and that has been going on for a number of years.

Although this government has a clear majority, agriculture is always squeezed in between supply and demand and is always at the mercy of various government agencies. Since he had to be satisfied for too long with a low income, he has to go to the Farm Loan Board for financing. Then, he is told that first of all he has to increase his production, after which he will get a loan. The farmer, therefore, goes and buys his neighbour's land, raises more cattle, increases his stock, and then he is subjected to a penalty because he

listened to the officials of the Farm Loan Board who told him to increase his production in order to get a loan. Now, they tell him it is absolutely impossible for him to get a loan. Today, he is refused the loan because his profits have declined since last year instead of increasing.

Whether it be natural or artificial, no matter, there has been an increase. It is unfortunate, because for a Canadian anxious to make a living for himself and his family it is the beginning of the end. Effectively, he will be deprived of part of his production not only of the one dollar subsidy, but also will have to accept the export rate of $1.25 per hundredweight.

Milk, which costs $4.50 per hundredweight, will in certain cases just be sold for $2.30 per hundredweight. If that is the government's logic, I fail to understand it.

Now I would like the Minister of Agriculture to acquaint himself with the suggestions put forward by the people most involved, mentioned in the reports of the Committee on Agriculture which collected this evidence when it travelled throughout Ontario and all the other eastern provinces.

The minister will realize, I suppose, that he cannot indefinitely count on the moral capital of these farmers. The march that they once organized on Parliament proves without any doubt that even if they listen to election promises they also want some results between elections. The public meetings organized in Sherbrooke and elsewhere in Quebec and others that will be organized prove that the people cannot stand it any longer.

We have seen auctions. Farmers with very good buildings, excellent implements and choice livestock are financially disorganized and unable to meet the interest on their debts, even if their loans have been made at 7 and 8 per cent. And that situation is deteriorating from year to year due to the tribute which they have to pay, through governments, to the dictatorship of money and credit.

That situation is reflected by the young who leave the farm and have no wish to inherit the debts of their parents. One could read the following in the April 2, 1970, issue of a Quebec City newspaper, and I quote:

> Resounding failure of the integrated farm vocational training.

Everything is being contemplated to retrain farmers, but the training already in existence is in the process of disintegrating. I go on with the quotation:

> The integration of the farm vocational training will have been a resounding failure, if the recently published official figures are true. Indeed, only five training centres have been set up for 1969-70, while for the previous year, there were seven traditional institutions devoted to farm vocational training.
>
> The enrolment, at the first year level, for 1969-70, that is at the secondary IV grade, in the five centres, are practically five times less than for the previous year, in agricultural schools (49 as against 220). And to conclude those disappointing statistics, while normally 75 per cent of the students enrolled in the first year were coming back to finish the second period of training, only 25 per cent did so this year, although favourable conditions were offered them.

And, as a matter of fact, the report indicates that, for the year 1968-69, 220 students had asked for enrolment, as against 49 in 1969-70.

This is how things repeat themselves. Farm operations are becoming more and more productive, as compared with 15 years ago. The capitalization of a medium-sized farm in the province of Quebec, which was $10,000 15 years ago, has gone up today to $25,000. And at the same time, the value of the land, buildings and cattle has doubled, whereas capital outlays for machinery and equipment of all sorts have tripled. Quite often, we see farms worth over $50,000. And all such changes happened not only before the eyes of the government experts, but on their recommendations. Many farms are worth $50,000 but on the other hand, some farmers are in the red to the extent of $25,000 or $30,000. They had to get into debt, it was for them the only way to make their business profitable.

A Portneuf farmer who wished to borrow $10,000 to expand his barn and whose farm covered 125 acres, who could rent his neighbour's farm for quite a limited amount, was simply refused a $10,000 loan. He was told: "My boy, buy your neighbour's farm and we will loan you $20,000. "Therefore, all they want is to cut those people's throats. The Farm Loan Board and the Farm Credit Corporation do not care to lend $10,000. But once he has bought his neighbour's farm and secured a $20,000 loan, the farmer will be slaughtered. Financing, insurance rates, taxes of all kinds and increased operation costs, that is what today's farmer has to face.

Under the auspices of the dairy policy of the last three years, the farmer has managed to keep his chin up while playing on depreciation and running into debt right and left, because he was trusted. We have wit-

nessed many sales by auction. We shall now see bankruptcies. And, on the best run farms, which bring 80 cents per hour to the operator, people will face a salary reduction. And is it absolutely sure that this salary reduction is what the just society is all about, that just society Prime Minister (Mr. Trudeau) wanted to bring about?

Mr. Speaker, whereas the most prosperous farms in Quebec and Ontario yield only 80 cents per hour to their operators, do we realize the situation, since, according to the Liberal government and the experts that were aiming at a just society, a wage of 80 cents per hour was already too much? In fact, were not all possible means taken to reduce that wage?

In my opinion, this cannot last any longer. How shall we know whether the government, through the Farm Credit Corporation has not enough securities in Quebec to take over all the lands? Does the government want all the farms to be brought under the control of the State and the farmers to become mere public servants? We recall the Prime Minister once expressed admiration for the communist theories and we wonder whether the hopeless indebtness of the farmers is not part of the Prime Minister's plans? Is the government contemplating, through the Department of Agriculture, to take over these farms and to convert them into collective farms? Do they want the farmers to be turned into public servants?

• (9:30 p.m.)

Is there any better way of frustrating an honest man who earns only 80 cents per hour than to bring his income down? Our farmers are in debt or compelled to get into debt while even better means are available. Will this not end, in the long run, by a quiet seizure of our lands? How many farms will be in the hands of the State within two or three years? I would like the minister to answer this and I am still wondering whether the province of Quebec will not be the first to fall into the hands of the government.

There is an article in the March 1970 issue of *Le Meunier Québécois* from which we may gather how anxious the people are. Here is an excerpt of this article and I quote:

> Mr. Otto Lang, Minister without Portfolio of the Canadian government who is responsible for the wheat policy, has just tabled in the house the emergency plan to solve the enormous wheat surplus problem in western Canada.
>
> The plan, which will be in force for one year, will cost the pretty amount of $100,000,000—
>
> Quebec millers are somewhat apprehensive of that wheat policy from the federal government. If the Canadian Wheat Board keeps the control over the sales of wheat, barley and oats that will be produced in western Canada, how much will it cost to the grain merchants in Quebec, who cannot get their supply on the world market?
>
> Moreover, the federal Minister of Agriculture, Mr. H. A. Olson, stated in the House that the subsidy of $20,000,000 on wheat transport granted to eastern farmers, out of the 1969 budget, will be reduced to $17,500,000 from April 1st 1970.
>
> While the western farmers are privileged, for they can convert their grain into livestock products and besides get compensated for sowing it, we, millers from Quebec, protest against the federal policy which clearly discriminates against the eastern cattle producers, who will finally and definitely have to foot the bill.

Mr. Speaker, we never saw such blatant injustice and they could not have found anything better to force people off the land.

And if you refer to the last report of the Department of Regional Economic Expansion for the year 1968-69, you can read the following:

> The Regional Development Agency has paved the way in the field of industrial development subsidies—

If we refer now to table 1, on page 19 of the French version of that report, we see the following statistics concerning Quebec:

> $800,110,000 were spent on capital investments, to create 16,934 new jobs, that is $47,249 per job.

Instead of going out after the farmers, out in the sticks, to bring them to the city, would it not have been better to pay them a subsidy of $1,000 a year? They would then have stayed 47 years longer on their farms, hoping to live a bit more decently.

How unfortunate that in times of peace the government does not try to apply a formula to encourage the fulfillment of the human being. Indeed, two great ideologies govern the world: that of domination and that of freedom. Any ideology that strives to establish the sovereignty of one man, one dictator, one league, one State, one trust or one political party is one of domination. On the other hand, if it strives to give the people easier access to benefits, it becomes a policy of freedom.

Mr. Speaker, while maintaining the right to make representations later on for the working class that the farmers constitute, I take it upon myself to call for a bit of justice, precisely under bill C-197. I claim that part to which those people are entitled, quite freely. That is why I shall vote against Bill C-197.

Farm Products Marketing Agencies Bill

[*English*]

Mr. John Burton (Regina East): Mr. Speaker, considering the history of agriculture in Canada and the present situation of farmers in this country together with the future prospects for farmers and rural people, I would have thought that when the minister introduced Bill C-197 it would have been presented as a brave new step forward in solving some of the very serious problems which face farmers and rural people in Canada. Instead, we find that this bill was introduced with hesitation, uncertainty and indeed with a faltering step.

In reviewing the remarks of the minister when introducing the bill on second reading, one almost gains the impression that he was not quite sure where he was going and just what he wanted to do with this legislation after it was passed, assuming it is passed; and, finally, one gains the impression that he was not completely convinced of the merit of the legislation. Of course, if he says otherwise I will have to accept his word and I will do so without hesitation. Nevertheless, I was rather unhappy with the presentation that the minister made in introducing this bill. I intend to have something more to say on that matter later in my remarks.

I certainly do not underestimate or downgrade the difficulties and complexities of Canada's agricultural marketing situation, because there is no question that agricultural marketing policies across Canada have been a great source of uncertainty and confusion. We have had a wide range of policies, divided jurisdiction and disagreement on policies among both farmers and governments, which have contributed to this picture. It seems to me that marketing boards are essential in order to strengthen farm bargaining power in the economy. The fact is that governments have often dragged their feet in this area and further steps toward orderly marketing are long overdue.

I suggest that federal legislation is needed to establish the machinery for national marketing with which provincial producer-controlled marketing boards could conform and thereby be able to market products in any part of Canada or on the export markets. A related matter has to do with the principle of supporting prices and a variety of techniques, some of which have been used from time to time in Canada. However, often the expenditures have involved help for those who needed help the least and it has been suggested that support plans should be based on income instead. Such plans will certainly need to be co-ordinated with whatever adjustment programs the government eventually brings forward.

An essential requirement of any or all marketing plans is that farmers have advance notice of price levels and quantities to be bought at a specified price. These need to be worked out in negotiation with farmers and farm organizations. This would be of tremendous help to the farmers. By negotiation I mean meaningful negotiation. I suggest that this would be a guide to a voluntary system of supply management. I suggest that stepped up economic research and improved market information are further steps in developing a program of production planning and supply management. Some marketing agencies now have a fairly well-developed system of supply management. The processing industries, it has to be acknowledged, adopt the principle of supply management in various contract arrangements.

The question might be asked: Why not supply management? The basic idea is simple and sensible enough, but it is not that simple in practice. There are very complex and difficult problems to overcome. The whole problem of how to implement supply management is yet to be resolved and the government, through its performance in operation LIFT, has given every indication that it has not learned any of the lessons necessary.

That does not mean that we should throw up our hands and give up, but it does mean that we will not find overnight solutions in dealing with what is admittedly a very difficult problem. I think we need to examine the situation of agriculture as such in considering this bill because, after all, the industry is expected to operate within the framework of a true free enterprise economy and there are few other sectors of the economy which are expected to operate on this basis. Because agriculture and a few other small industries have been forced to operate on this basis, to operate at a disadvantage when compared with other sectors of the economy, the industry has suffered and the people who make their livelihood in that industry have also suffered.

The basic fact is that the Canadian economy has undergone drastic changes. Today we live essentially in a managed economy, and at the same time the government and many in this country still espouse the platitudes of an economic system that no longer exists. Agriculture is expected to operate on the

basis of these platitudes. The marketing bill that is before us now tries to straddle some of the old and some of the new. I suggest that in many respects it falls in between, and the farmer is still expected to operate on the same old basis as he has in the past. It tries to strengthen the bargaining power of the farmer, and possibly it helps, but I suggest it is not good enough and it will not really do the trick.

Changes have taken place in our economy over the past number of years. In our economic organization, the concentration of economic power, the influence of technology in all aspects of economic activity have all had an influence on agriculture and on every other sector of the economy. I suggest that no sector of the economy today can operate successfully on an ad hoc or piecemeal basis. I suggest that all industries and all sectors of the economy must operate within the framework of the economic world as it exists. I suggest the only way they can operate sensibly, without causing suffering and hardship, is within a framework of economic planning. Today it is generally accepted that economic planning is essential and must be carried out, but the question is how, and by whom? This is where the bill requires some examination.

• (9:40 p.m.)

I would like to recall briefly to the minds of hon. members the minority report of the Finance Committee on the question of interest rates and inflation. That minority report was presented by the hon. member for Waterloo (Mr. Saltsman) and myself on behalf of the NDP members of the House. In it we called for a comprehensive incomes policy, something which has implications for agriculture. The adoption of such a policy would mean that people making their living in agriculture would be assured of an adequate level of income and could enjoy a good life in their chosen vocation. We must consider this marketing bill in that context, because just where the legislation will lead farmers is not clear. The bill establishes some guidelines but it does not go beyond the old system to which I was referring a few minutes ago.

The consideration of price within the context of this bill is not enough. We must also examine the entire question of income. The bill does not do that in any way. The minority report on interest rates and inflation also dealt with the question of the allocation of capital. Here again we must consider the need for an adequate allocation of capital for agriculture, at reasonable interest rates. That report also called for compensation to the victims of inflation. With the possible exception of some old age pensioners and those living on small, fixed incomes, I suggest that no industry and certainly no group of people have suffered more from the effects of inflation than farmers.

Finally, I suggest we are living in a new kind of world where the laws of supply and demand as we knew them in the past cannot be depended upon to provide answers to the problems which are facing us. That, therefore, brings us to the question of government initiative and public action to deal with some of our problems. In this field there is to be a farm marketing council established to which, in its own right, no one can object. The bill suggests that the council can recommend, either on its own initiative or at the request of the minister, measures, proposals and other recommendations. But I suggest that banking on the council to introduce adequate policies is not enough. No council, no matter how well-intentioned or how hard it works, can do this job unless it has an adequate degree of government support.

The government must allocate necessary resources in order to put effective plans into use. This bill does nothing of that sort. Certainly I do not expect all aspects of a proper agricultural policy to be included within the scope of this bill. I suggest the bill provides a vehicle, although it is open to question whether it is the best possible vehicle, to be used in helping to find solutions to farm problems. The use that is made of it will depend both on the government and the farmers.

One important point touched on in this debate is the question of farmer participation. Where does the farmer come into the picture? Does he have an important and meaningful role to play? As has been pointed out by a number of hon. members, there is no guarantee of farmer participation on the boards that will be established under this bill. I suggest that the participation and co-operation of farmers is essential for the success of the legislation. We have heard a great deal from government spokesmen about the necessity of moving in the direction of participatory democracy. This bill, in the way in which it is framed, is a negation and a denial of everything the government has said about the necessity for participatory democracy. We are

to have a National Farm Products Marketing Council. Various boards are to be established with government appointees, without any meaningful participation by farmers, those directly affected by the legislation.

Another matter that requires examination is the corporate invasion of the agricultural industry. This is a real danger to farmers and to the industry. It threatens the entire social and economic fabric of rural Canada. Admittedly, some aspects lie beyond federal jurisdiction and require provincial action, but the questions that must be asked with respect to this bill is: Will it be used as a tool by corporate enterprises to consolidate their position? Will it enable corporate enterprises engaging in agriculture to consolidate their position and give them an advantage over ordinary farmers who are attempting to make a living by farming?

A few minutes ago I referred to the remarks made by the Minister of Agriculture when he was introducing this bill. I suggest that he used a very hesitant tone in bringing the bill before this House. He suggested that in his view the situation—

—makes it at least desirable if not essential that we have enabling legislation on the statute books—

That is recorded at page 5968 of *Hansard*. Note the words "enabling legislation." This raises an important question as to what initiative the government will bring to bear once this legislation is placed on the statute books. The minister also noted that there are serious problems in the agricultural industry associated with fluctuations in farm income. I am glad he recognized that point. But then he went on to suggest that the real purpose of the legislation was to improve the efficiency of our marketing systems.

I have no quarrel with the objective of greater efficiency as long as it is kept within a proper context. Efficiency is not an end in itself. Efficiency is a means which is only well directed if it is directed towards a good and useful end. I suggest that when the minister placed his greatest stress on efficiency he overlooked one of the basic aspects of the farm marketing situation throughout Canadian history, namely, the instability which has been inherent in agricultural marketing. Surely the basic purpose of marketing legislation, whether it be at the federal or provincial level, should be to achieve stability.

The minister said that specific marketing agency legislation had been enacted in the past. He made specific reference to the Canadian Wheat Board. I agree that there is an overdue need for legislation to deal with the whole range of farm products to ensure that they might be marketed on an orderly basis. He also said that the basic role of the National Farm Products Marketing Council would be to provide guidance and advice. I have no quarrel with the establishment of this body for that purpose. Certainly it can play a very useful role. It can also provide liaison with provincial marketing agencies and provincial governments. But, again, the whole question depends on what action the government is going to take.

• (9:50 p.m.)

Such a council can make all the recommendations it likes; it can do everything possible to try and proceed with adequate marketing legislation, but unless it has the full support of the government none of the problems this bill attempts to start to solve will be solved. Mr. Speaker, I could go on to comment further on some of the minister's remarks in dealing with the bill on second reading. It seems to me that we had in the minister's remarks a very real indication that the government will move forward in a very hesitant, cautious way in making use of the legislation. I think it is important that we take note of the whole question of the approach to marketing problems once this legislation has been established.

In his speech the Minister of Agriculture (Mr. Olson) made reference to the Canadian Wheat Board. In my view the Canadian Wheat Board has done an outstanding job in the past. I think there is no good purpose to be served by anyone in this House continuing, for whatever purpose he has in mind, to pillory the Wheat Board commissioners. I think this does no one any good. I think it does a disservice to the farmers of western Canada and to the interests of all Canadians, because in my view the Canadian Wheat Board brought order and stability to the wheat scene in this country and to the grain scene in western Canada.

There have been problems, there have been some distortions in the picture, but I suggest that this has not been due basically to whatever shortcomings the Wheat Board commissioners may have had as individuals. After all, they are human beings just like the rest of us, and they can make mistakes just as any of us can. They have attempted to do a good

job. I think the point that needs to be kept in mind is that the basic inadequacies have been in the area of government policy.

In my view, the latest example of that has to do with the question of operation LIFT. I hope that no government attempts to introduce marketing policies or to make use of the legislation now before us in the way the government has used the Canadian Wheat Board Act in introducing operation LIFT. The farmers have a rather colloquial and very down-to-earth term in referring to operation LIFT. If I were to use the term in this House, I would possibly be ruled out of order. Perhaps I could refer to it in the way farmers use the term. They describe operation LIFT as being a half donkey type of plan. I think this contention on the part of many farmers is borne out when we take into account the comments made in answer to a Motion for Papers which I placed on the Order Paper some time after the announcement of the Minister without Portfolio (Mr. Lang). On March 25 a Motion for Papers in my name was moved asking—

> That an order of the House do issue for a copy of all background studies and reports prepared for the government in connection with the Lower Inventory for Tomorrow and Wheat Acreage Reduction Programs.

What was the response of the government? When the motion was moved in the House of Commons the Parliamentary Secretary to the Minister of National Defence who on that day was dealing with Motions for Papers in the House, answered as follows:

> Mr. Speaker, I am informed by the hon. Otto E. Lang, Minister without Portfolio, that there are no background studies or reports prepared for the government as requested by the hon. member. Background material on this subject has been prepared by government officials. However, such material constitutes internal government documents and is therefore privileged. As there is no material suitable for tabling, the minister would ask the hon. member to withdraw his motion.

I think that certainly indicates the lack of adequate study and planning in presenting operation LIFT to the people of this country. I also suggest, Mr. Speaker, that if the government is to carry on any sort of meaningful consultations with the farmers of this country in dealing with marketing problems in future, it will have to use a different approach than was used in connection with operation LIFT. I suggest to the Minister of Agriculture, who is in his seat, and to the Minister without Portfolio in charge of the Canadian Wheat Board, who is also in his seat, that when consultations took place with the farm organizations on operation LIFT before it was announced, the plan that was discussed with the farm organizations was different from the plan finally announced. If that is not true, I challenge either of those ministers to rise in his place and say so.

I suggest that this illustrates the bankruptcy of government policy in dealing with the entire area of agricultural and farm marketing. I suggest that operation LIFT and the way it has been introduced is a distortion and perversion of the entire principle of orderly marketing.

An hon. Member: You said it!

Mr. Burton: If this is any indication of what the government will do with marketing legislation in the future, there is grave cause for doubt in dealing with the legislation now before us. I have some further remarks to make, but I do not have time to finish them this evening. Before calling it ten o'clock, may I have your indulgence, Mr. Speaker, to note that the hon. member for Selkirk (Mr. Rowland), who is in his seat at the moment, has also taken a great deal of interest in this legislation. This is the first opportunity I have had in the House to congratulate him on his election to the House.

Some hon. Members: Hear, hear!

Mr. Burton: Mr. Speaker, may I also have your indulgence to note a unique role that the hon. member for Selkirk has undertaken in becoming a member of this chamber. In 1968 there were elected to the House of Commons 96 members who had never before sat in this chamber. One of those members fell by the wayside when his election was declared null and void. In the two by-elections, prior to the one at Selkirk, held since 1968 we witnessed the return of hon. members who had previously sat in this House. Thus, the 95 of us were still junior members of the House of Commons. Now we have a new member of the House and the 95 of us can now consider that we are no longer the junior members of the House of Commons. The hon. member for Selkirk is now the junior member. Certainly he does not need to look askance at this new role because I suggest he can consider that he has taken the place formerly occupied by 95 members. May I call it ten o'clock, Mr. Speaker?

Proceedings on Adjournment Motion

PROCEEDINGS ON ADJOURNMENT MOTION

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

GRAIN—WHEAT—SUGGESTED WITHDRAWAL OR ALTERATION OF ACREAGE REDUCTION PROGRAM

Mr. Doug. Rowland (Selkirk): Mr. Speaker, last Tuesday I asked two questions of the Minister of Agriculture (Mr. Olson), the substantial portions of which he declined to answer on the grounds that he did not agree with the premise upon which the questions were based, those premises being that operation LIFT was a failure and that it will be of virtually no assistance to those farmers whom I have the honour to represent and to farmers in like circumstances throughout the rest of Canada.

It is my understanding, Mr. Speaker, that the minister has spent a good deal of time lately on the Prairies talking to farmers. I should like to say at this time that if he still believes operation LIFT will succeed in reducing the acreage sown to wheat in western Canada by two-thirds, he has been doing a great deal more talking than listening.

During my campaign I must have visited between 20 and 25 per cent of the farm families in my riding. Not one of those farmers thought he would benefit from operation LIFT, and very few I talked to felt they would be in a position to comply with the provisions of the plan. Indeed, if I may be blunt, the greatest liability the Liberal candidate had in my campaign, next to the Prime Minister himself, was operation LIFT. Journalists have spent considerable time in the last few weeks commenting on operation LIFT and interviewing farmers to find out what they have done. They have all reached the conclusion that Mr. Newman reached in today's *Globe and Mail*, that farmers are rejecting the plan and will not co-operate with its provisions.

• (10:00 p.m.)

I mention also at this point, with respect to the premise upon which I based my question, that last month there were demonstrations in Edmonton, Regina and Winnipeg which involved over 12,000 farmers. At each of these three demonstrations the 12,000 farmers denounced operation LIFT and demanded its abandonment by the government. If in the face of this kind of evidence and these events the minister still says that the plan is going to be a success, I hate to think of the kind of evidence the minister requires before he will indicate it is a failure.

I do not intend to go into the reasons for the likely failure of operation LIFT in any detail this evening. The reasons have been presented to this House in copious detail by numerous spokesmen of the opposition. All of the reasons are transparently obvious to the most casual observer. In summary, the opposition is arguing that Operation LIFT must be abandoned or substantially modified. Operation LIFT simply does not meet the farmers' needs; as a consequence they cannot or will not comply with its provisions.

In addition, opposition spokesmen have been saying that the plan is discriminatory in the extreme, especially with respect to areas such as the Interlake in Manitoba. Finally, the plan is an administrative nightmare. The validity of the arguments against operation LIFT which the opposition has been pressing upon the government is self-evident. Yet the government has not undertaken the entirely sensible action which members of the opposition parties have been recommending to them over the past several weeks. Why? I believe the government is not taking action because this plan was never really designed to work. That is, whether it meets the farmers' needs or not is entirely beside the point. That is not its purpose.

Operation LIFT was conceived by cynicism and born of arrogance. Operation LIFT is nothing more than another public relations effort by this government which seems to have advertising account executives hiding behind every door. It is a massive put-on. It is simply an attempt to "con" the city dweller into believing that this government is taking some action that will help the farmer. It is a "con" job.

I want to spend a moment on the circumstances in which operation LIFT was born. The farm cash income shortage on the Prairies had reached crisis proportions, so much so that people in the villages and the urban centres of the Prairies were beginning to be affected by it, beginning to sympathize with the farmers and beginning to demand action from the government. Operating on the assumption that they hold few rural ridings and that the cities must be held at any cost, the government conceived a plan which in terms relative to the size of the problem

would cost them next to nothing. With minimum expenditure the government could give city dwellers the impression that the government was hard at work attempting to solve the farmer's problems and thus avoid incurring a political liability of vast proportions in its main areas of strength.

The plan is tokenism of the worst sort since it attempts to pose as a substantial remedy. The Prime Minister (Mr. Trudeau) is fond of saying that it represents a massive injection of capital, $100 million, into the western economy. It represents nothing of the sort. Noncompliance with the plan will mean that the projected $100 million expenditure will be reduced to $55 million at most. Even if the west received the full $100 million, what does that mean in real terms when the farm income in Saskatchewan alone has declined by $167 million in the past year?

Two years ago the then Minister of Agriculture told the farmers of western Canada that he would undertake to sell at $1.95 f.o.b. Lakehead 433⅓ million bushels of wheat per year over the next three years. For a number of years governments in Canada have been advising the farmers that they need to expand and specialize. These promises may have been sincerely made and the advice sincerely given, but the fact is they were wrong. I think the government of the day has an obligation to attempt to solve the problems that have been created because farmers followed that advice incorrect as it was, and because those promises could not be honoured. The proper way to do this would be to buy the farm-stored grain.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I should like to have been able to congratulate the hon. member on his effort tonight in view of his status as a new member of this House. I will try to be as gentle as I can with him, bearing in mind what he has said.

I find it surprising that he should continue to say, in effect, "What's $100 million?"—to suggest that this is not a significant sum and even to infer that the provision of such an amount was somehow helpful to us politically in the cities. In fact it is difficult to explain in parts of the non-rural areas of the country why this program to help farmers was desirable. I am not surprised the hon. member does not understand the program. He has been talking with his hon. friends who have been doing the general disservice of denying themselves an understanding of the plan and failing to acquaint farmers, in discussions with them, with the real benefits to be obtained from it.

I shall not speculate as to the exact number of acres which may come out of production. Before long we shall know the facts. The truth is that the plan provides an opportunity for farmers with surpluses to avoid producing further crops and to dispose of their surpluses in favour of an improved cash position this year. It allows those without surpluses to calculate the advantage of growing wheat as compared with other crops. Generally, it will direct them to the growing of crops other than wheat this year as a further help in disposing of the wheat surplus.

I should like to emphasize the benefit of the plan to farmers without surpluses who will produce other crops. To the extent that this program is successful, many acres which might have been used to grow crops other than wheat may be kept out of production. This would allow farmers without a surplus to have a better market for barley and rapeseed. The plan does provide for an injection of cash into the Prairie region where it is so badly needed, particularly into those areas where grain has been the main source of income and where cash has been shortest.

In a situation like this, $100 million can be of significant assistance. Such a sum in the Prairie region has secondary and tertiary effects as it moves through the economy, and this is why I have asked from the beginning that hon. members join in explaining to farmers the advantages they can take from the plan and not spend all their time in petty, partisan carping.

POST OFFICE—POSTAGE RATE INCREASES FORECAST BY MINISTER—GOVERNMENT POLICY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, since my question was directed to the Prime Minister (Mr. Trudeau) I do not know who will be responding to my comments in this adjournment debate.

Mr. Kierans: I'll give you one guess.

Mr. Macquarrie: Even before the Montreal crisis brought cabinet minister after cabinet minister into the act, the mismanagement of the Post Office Department had become a matter of concern for the whole government.

This is a service department and the people of Canada have a right to ask the government as a whole why service is not being provided. This is especially pertinent when the same minister who has such difficulty in getting the written and printed word into circulation is playing godfather to a satellite communications project which will cost this country millions of dollars. Incidentally, I am sure it will cost much more and go into orbit much later than the minister's forecast of some months ago indicated. But on the hard-pressed Post Office and the long-suffering users of the mail service, this relentless "efficiency expert" will press a pay-as-you-go policy. Up will go the cost of stamps, lock boxes, money orders, keys, and so on—upward, ever upward.

• (10:10 p.m.)

How encouraging to the Canadian people must be the utterance of the Postmaster General (Mr. Kierans) yesterday. He said:

> I repeat a promise made several times before, that future rate increases will be of smaller absolute size, will be introduced with as much advance notice as possible, and will quite possibly occur with greater frequency than in the past.

In other words, there will be smaller bites but more of them. Scarcely a comforting outlook for a long suffering public, and scarcely a promise attuned to the anti-inflationary chorus which the government has been singing for these many months. All of this is to start in 1971, based apparently on the assumption that the government's pusillanimous policies will have licked inflation by then. Little wonder that the right hon. member for Prince Albert (Mr. Diefenbaker) yesterday injected the comment that the Prime Minister, in agreeing with this assumption, could hardly have been serious. This famous quote in the speech that thrilled me so much yesterday, almost as much as the minister's review, catches the eye:

> We intend to pay our way, which means that those who do not use the postal service will not be picking up the bill, through their taxes, for those who do.

This interesting declamation of the opting-out doctrine may put the Postmaster General in a new school of constitutional authorities. He has been in strange places before, but this might be a new one. I refer to the proposition that the citizen pays only for those governmental services that he uses. I trust that despite all that has happened in the last 20 months the government still admits that the Post Office should be a public service.

[Mr. Macquarrie.]

This is a formula with many intriguing possibilities. For example, the childless will be exempted from school taxes. Those who listen to private networks or local stations only will be excluded from the mammoth financial burdens that the country assumes on behalf of the CBC. Conceivably, the citizen who never used or needed police protection would opt out of contributing to the cost of maintaining our national police force, the RCMP. Such a process of selectivity of contributions to the public purse could be fascinating and would open avenues for M.A. and Ph.D. theses galore. You could opt out of this and into that. Individuality is the keynote. The resultant financial labyrinth would, however, make the white paper look like the purest of prose and the epitome of reason.

That the Post Office Department should be unique among government departments and asked to pay for itself, and it a service department, is surely something approaching absurdity. It should be efficient, of course; and at the moment it is not, nor does it seem to approach that goal. But that it must pay for itself, no matter that other aspects of governmental operation dig deeper into the treasury, is unbelievable.

It is this brittle insistence on this satus for the Post Office alone which has contributed considerably to the present plight of the minister and his department. The continuing obsession with the balance sheet, with proving the point come what may, has surely, after all these suffering months, been revealed for what it is. If before we are engulfed with greater ills we could concentrate on service instead of proving points, we might perhaps get things moving, including the mail itself.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, the millifluous muse of the Conservative Party is often amusing, but he is rarely relevant and hardly ever impressive. His carping and constant criticisms are neither constructive nor do they reflect any particularly or deeply held beliefs or principles.

Yesterday I simply said to a group of the largest customers that the Canadian Post Office has, "Here are a few of the facts of life. In this day and age costs are rising. The government is determined to cut down the spiral of inflation which robs, as all of us know but few of us will admit, those who are weakest in society. It is our desire to protect them". You can cover the cost, including the

present postal union demands which all members on the opposite side will undoubtedly endorse, in one of three ways. This can be done by charging the people whose mail is carried by workers in the Post Office, by improving productivity and efficiency or by increasing the taxes of the general public.

We believe in a combination of the first two. We do not believe that $500,000 should be given in the form of a subsidy to the business community of this country who are 80 per cent users of the service. We believe they can afford to pay for the services they demand. We have given evidence of our intention to improve productivity and efficiency. We do not believe in making pick-ups in mail boxes where there are no letters, or in making runs that are duplicating or irrelevant. We do not believe in maintaining post offices after the population has moved away, nor do we believe in employing 450 people to distribute and carry the mail in Montreal when 250 people can do the job.

Mr. Speaker, I simply want to say this. If we follow what the hon. member seems to suggest and provide this service at less than its cost, where shall the money come from? Shall it come from the pensions we are trying to increase for the aged? Shall it come from programs to increase housing and cure pollution? Shall it come from education? Shall it be taken away from the apparently legitimate demands of the provinces and municipalities? I am trying to point out that the members of the Tory Party exceed in their demands, although one would not expect it, the demands of the two parties to their left. But that party is distinguished from the two parties to the left because the members of that party never say where the money is to come from.

The Acting Speaker (Mr. Béchard): Order, please. I am sorry to interrupt the minister, but his time has expired.

AIR CANADA—POSSIBLE TRANSFER OF EASTERN HEADQUARTERS FROM HALIFAX TO MONTREAL

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, after the high-blown prose of the rhetorical reunion of the two dear friends who have just spoken, my remarks I fear will appear to be pedestrian. Nonetheless I shall persevere. My remarks have their genesis in the question asked on April 29, as recorded at page 6413 of *Hansard*, by the hon. member for Cape Breton-East Richmond (Mr. MacInnis). He asked the Minister of Transport (Mr. Jamieson) whether Air Canada had made him aware that it is considering the moving of its eastern headquarters from Halifax to Montreal. The minister replied that he had not had any such advice from Air Canada. The hon. member then asked the minister the following question:

> The minister has not been informed of a number of things Air Canada is doing, but is he aware that this company which operated with six vice-presidents . . . now has 19 vice-presidents and there are three more to come.

There was no response to that question. My colleague, the hon. member for Dartmouth-Halifax East (Mr. Forrestall), asked whether the minister would inform himself about the situation and advise the House at an early opportunity, and the minister replied that he would be glad to do so. The exchange was continued today. Before I relate that in brief, may I say that there was a statement made by the public relations officer of Air Canada, Mr. John Rankin, in Halifax to the effect that the present sales department and operational department will be replaced by a passenger service department. This step, by the way, is to be taken in all Air Canada centres, so I say to the fellows from the west that it will strike the west as well as the east. This is to be under one manager. In the Atlantic region the managers would report through the Halifax manager, as a sort of super-manager, to the head office in Montreal.

• (10:20 p.m.)

My colleague, the hon. member for Dartmouth-Halifax East raised last Thursday's question again in the House today, directed to the Minister of Transport. The minister indicated that a full report on reorganization would be given to the House when received. I complained that the specific question that had been raised by my colleague had received only a general answer and, as I recall, I asked, "Does that mean that the decision of Air Canada is the obliteration of a regional office in favour of centralization somewhere else?" The minister replied that this was exactly what he had asked of Air Canada and he had been told there was a complex reorganization under way; it was not something that could be answered within the framework of a normal verbal answer in the House. Thus our appearance tonight; the standard route was followed.

In any event, the hon. member for Dartmouth-Halifax East and myself are informed that in a recent bulletin issued by Air Canada something called the Eastern Voyageur

Region is defined, and this embraces the province of Quebec, metropolitan Ottawa and Atlantic Canada including Labrador. It stretches from Stittsville, in other words, to Bonavista. There would be a regional office for this large land-mass in Montreal, says this bulletin of Air Canada, and the vice-president for this new region has not yet been appointed. So the prophet, the hon. member for Cape Breton-East Richmond may have been partly right when he said that three vice-presidents were on the way, because certainly one of those three is on the way.

Apparently, Air Canada has not advised the Minister of Transport of this, or perhaps if they sent him the bulletin it was put in the hands of the minister in charge of the Post Office and has not yet arrived. But what a heady word is "voyageur." Instead of canoes, one can see Viscounts, Vanguards, DC-8s and DC-9s floating through the great skies over Atlantic Canada, invisible strings attaching them to some vice-president yet to be appointed in Montreal. Montreal, sir, was always the great centre of the fur trade in the days of the early voyageurs who deposited there the skins that they took from western Canada. Now it looks as if it is the turn of the east to be skinned.

Hon. Donald C. Jamieson (Minister of Transport): I can merely reiterate in part at least what I said this afternoon and remind the House and you, Mr. Speaker, that in so far as management decisions are concerned it is for the directors of Air Canada to make them and it is not the habit, nor do I think that hon. members opposite any more than any member of this House would want it otherwise, for them to consult with or get the approval of the Minister of Transport for such matters as are entirely and by law, in fact, assigned to them.

I am in a bit of an awkward position, as hon. members will know, in seeking to answer these questions as specifically as I would like to, for the simple reason that until this reorganization is completed I have no way in which I can intrude into the process. I simply have to get the advice on the request of members and pass it along to them. This I have attempted to do.

I was informed, subsequent to our discussion this afternoon, that in fact in the judgment of Air Canada—I am passing this on as a result of our conversation and not in any written form, so I would ask members to bear this in mind—the use of such terms as "regions" and so on has not really been in the old framework of Air Canada; that it came into common usage but was not necessarily a part of the organizational structure.

In fact, now there are going to be regions but there will only be three for the whole of the country. I have undertaken to provide members with a complete outline of the reorganization as soon as it is obtained from Air Canada. But as I understand it, under the new grouping there will be three separate regions, the one to which the hon. member has referred—and I agree with him that it is rather romantically titled—and two others. These will presumably be central Canada and western Canada.

Within these regions, however, I am told that there will be very large districts and that in fact the position with regard to, let us say Halifax, which is naturally the object of the hon. member's primary concern, would continue to be an important focal point in terms of Atlantic air transportation. Whether or not the outcome of this will be satisfactory to the hon. member, I frankly cannot say at this moment. I can only indicate the two steps I have taken. One is to request the details of the reorganization, the second is to advance the time at which the Committee on Transportation can deal with this matter and then hon. members will have a chance to question both the chairman of Air Canada and its top officials as to what is proposed.

I am assured by Air Canada that it is their intention to achieve a more efficient operation, in their judgment, but to do so and to temper this need for efficiency with a great deal of understanding of the personnel problems involved. I hope that satisfies the hon. member.

Motion agreed to and the House adjourned at 10.27 p.m.

END OF VOLUME VI